

# MINUTES

of the

## PUBLIC HEARING HELD ON

APRIL 25, 2018

THE COUNCIL OF THE COUNTY OF MAUI, STATE OF HAWAII, CONVENED A PUBLIC HEARING ON WEDNESDAY, APRIL 25, 2018 AT 6:05 P.M., IN THE COUNCIL CHAMBER, KALANA O MAUI BUILDING, WAILUKU, HAWAII, WITH CHAIR MICHAEL B. WHITE PRESIDING, FOR THE PURPOSE OF RECEIVING TESTIMONY ON THE PROPOSED REAL PROPERTY TAX RATES FOR THE COUNTY OF MAUI FOR THE FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019.

CHAIR WHITE: This public hearing of the County of Maui shall please come to order.

Mr. Clerk, please call the roll.

### ROLL CALL

PRESENT: COUNCILMEMBERS ALIKA ATAY, ELEANORA COCHRAN, S. STACY CRIVELLO, DONALD S. GUZMAN, G. RIKI HOKAMA, KELLY T. KING, YUKI LEI K. SUGIMURA, VICE-CHAIR ROBERT CARROLL, AND CHAIR MICHAEL B. WHITE.

There were 15 members of the public in attendance.

DEPUTY COUNTY CLERK JOSIAH K. NISHITA: Mr. Chair, there are nine Members present. A quorum is present to conduct the business of the Council.

CHAIR WHITE: Thank you, Mr. Clerk. And, before we proceed, if I could please ask everyone to put their cellphones on silent mode.

And with that, Mr. Clerk, let's proceed with the agenda.

## NOTICE OF PUBLIC HEARING

DEPUTY COUNTY CLERK: Mr. Chair, the Notice of Public Hearing on the Real Property Tax Rates for the County of Maui for Fiscal Year July 1, 2018 to June 30, 2019 was published in the April 12, 2018 and April 18, 2018 editions of the Maui News.

In accordance with Section 3.48.565 of the Maui County Code, the public is invited to provide testimony before the Council regarding the Real Property Tax Rates for the County of Maui for the Fiscal Year July 1, 2018 to June 30, 2019.

We have established limited interactive communication that enables individuals from Hana, Lanai, and Molokai to provide testimony from our District Offices. Individuals who wish to offer testimony from Hana, Lanai, and Molokai should now sign up with District Office staff.

Individuals who wish to offer testimony in the chamber, please sign up at the desk located in the eighth-floor lobby, just outside the chamber door. When testifying, please state your name and the name of any organization you represent.

Currently, we have no testifiers waiting at our District Offices. We have five individuals who have signed up to testify in the Council chamber. First person to testify in the Council chamber is Rose Royce. To be followed by Brent Brocksome.

CHAIR WHITE: Yes, please come on down.

## TESTIMONY

MS. ROSE ROYCE:

Good evening. Good evening, ladies and gentlemen. My name is Rose Royce, and I'm a resident of Maui. When I moved to Maui in 1977, Wailea and Kapalua were just starting to be developed. Kaanapali had a few hotels and condos, plus some houses around the golf course.

We already had a growing community of part-time residents. Demand started increasing, and with air travel becoming easier, leaders of business and industries from around the globe choose Maui even though far removed and isolated, to spend part of their – turn the page – part of their time and yes, their hard-earned money.

Let there be no mistake, these people played an important role in helping to make Maui the world-renowned travel destination it is today. Their generous contributions help build our Maui Art and Cultural Center, and they continue to support other charities. Their aloha for Maui, in my opinion, is no different than a full-time resident. We are truly blessed to have these people as part of our ohana.

Maui's diversification, or chop suey of people is a perfect example and model for the rest of the world. We blend races and cultures together, and truly make it work and live in harmony. We might look different, eat different, and dress different, but we have one common denominator; we love Maui.

I believe it is imperative not to start any kind of categorizing or financial profiling in any way, shape, or form. Let us solve our challenges together, pull our resources and minds to solve problems together. Let us continue for Maui to be the gathering place, the true gathering place, and give our aloha full and part-time residents and our visitors with our hearts. Together we can and will create a bright and prosperous future for Maui. Thank you so much.

CHAIR WHITE: Thank you very much, Ms. Royce.

MS. ROYCE: You're welcome.

CHAIR WHITE: Members, any need for clarification? Thank you for coming in this evening.

Mr. Clerk.

DEPUTY COUNTY CLERK: Next testifier is Brent Brocksome. To be followed by Annette Niles.

MR. BRENT BROCKSOME:

Mr. Chairman, Members of the Committee, my name is Brent Brocksome.

CHAIR WHITE: Good evening.

MR. BROCKSOME: And, I reside at 4315 East Waiola Loop. I have presented written testimony previously to you, both representing Wailea Golf Vistas Association in opposition to the proposed increases. You should have that. I sent that in a week ago, representing our entire board unanimously. And, I sent a three-page summary to you two weeks ago with regard to my own personal opposition to the proposal.

I have great empathy for what you do. I'm a former legislator, and from Idaho, I served on our Budget and Finance Committee there. So, I know what kind of grief you go through and how much time you put in on this and I'm really sorry. So, I don't, I'm not going to take up a lot of your time.

I, I just wanted to say that, of course, the proposal has generated a tremendous debate and concern. And, in my original letter, my tax liability would increase significantly to \$41,000 a year. I built a brand-new house, I planned for this. I knew what my tax liability was previously, and know about what that, what that number would be.

But, having it increased dramatically and even after I spoke by email with the Mayor's budget staff, realized that the 41,000 was maybe incorrect because it was a progressive number. Progressive, where I'm from, Idaho, is not a term we're familiar with. But nonetheless, it's a progressive tax and so therefore, it was only a 36 percent increase. And so, I wanted to become, come here personally and tell you that it was not a, the increase of 41,000 will only be 36,000, which is still, I think I used the words draconian.

The study that was quoted and maybe in my narrative to you before was a March 2017 study that I looked at. And, it provided the template for some of the work on the Mayor's proposal. That, that study is flawed of course, because we all know the Federal tax code changed, and the deductibility of the, of our property tax is now limited. That in itself is going to have some impact, and I don't know if we know what that is yet. But, it will definitely have some impact.

So, we want to make sure that we take time to study options for revenue enhancement; that's a terminology that we successfully used, rather than taxes. And, they may, there may be some other opportunities that are out there. I have, I know that there's some things you cannot do. You know, you can't raise sales tax, for example. I mean, that might be one thing, but that's regressive. And you can't eliminate food and medicine from sales tax. I don't think you have legislative permission for that.

But, nonetheless, I'm assuming that the revenue projections are going to be sufficient to fund this like you've done in the past without these huge tax increases for folks like myself and others. So, thank you very much for your time. And, appreciate very much all your efforts. Thank you.

CHAIR WHITE: Thank you for taking the time to come down this evening.

Members, any questions for the testifier?

Seeing none, Mr. Clerk.

DEPUTY COUNTY CLERK: Next testifier is Annette Niles. To be followed by William Jacintho.

MS. ANNETTE NILES:

Good evening, Chair.

CHAIR WHITE: Good evening.

MS. NILES: Good evening, Council. My name is Annette Niles. I'm a rancher, farmer, added value product Mamaki tea grower. I'm here to testify on behalf of this property tax.

And, I would also like to thank Mr. Hokama for his comment on the paper, the Maui News, about the audit. I really, really feel that I would like to see the department get audited, and from an outside sector to get the department straightened, because, you know, the taxes went up tremendously. People have been calling. They're really saddened. I mean, you know, the old folks. And, it's, it's has gone up through the roof. But, it hasn't gone up for everybody. You know, and apparently, they use this . . . Program, which it wasn't for everybody, especially if you work in the County, you know.

So, my point here tonight is, you know, fair is fair. If you're going to raise it, you know, you don't have to try to kill us with it, you know. But, go up in increments, you know. We don't mind for having our taxes to go up, but not the way it's going to go up. And, then we want to help homeless? This is not going to help our homeless. It's going to make things worse, because people, are told me straight, they're going to rent, their rent is going to go through the roof because the landlord's taxes are going to go up, their rent's going to go up. So, what do you do? You have a chain of homeless. They're going to put them out. And, who you get? Again, they're going to look for people that have money to rent. And, it's like a, it's like a housing market with the rentals. They'll give you more money to rent the house.

So, you know, come on. We need to take care of our old folks, you know. This tax is really, really, really killing our retirees, you know. And, we, I really want see something done about this. You know, like I said, I don't mind, we're going to go up, but not to the extreme, you know. And then of course, everything is a circuit breaker when it doesn't work for people that own a lot of land, especially our retiree farmers and ranchers, you know. They don't qualify for the circuit breaker. So, that is my point, and that's why I'm here tonight.

So, I'd like to see some adjustment, you know, because it's not fair to all. It is not fair to all. And I want to see, like when I was growing up where when you put the property tax out, you want to see it goes to schools, it goes to highways. I remember my dad showing me these property tax bills, and it showed every little detail of where this property tax, this money goes to, you know. And, I'd like to see that again, you know. But, thank you very much. I appreciate it. Thank you.

CHAIR WHITE: Thank you, Ms. Niles. Members, any need for clarification? Thank you for being here this evening.

MS. NILES: Thank you.

CHAIR WHITE: Mr. Clerk.

DEPUTY COUNTY CLERK: Next testifier is William Jacintho. To be followed by Tom Croly.

MR. WILLIAM JACINTHO, MAUI CATTLEMEN'S ASSOCIATION:

Good evening, Maui County Councilmembers. I'm William Jacintho, President of the Maui Cattlemen's Association. As you know, I have been chairing the MCA Land Committee and working with others in the ag industry regarding agriculture property.

For several years, the Maui Cattlemen's Association has been dedicating many hours to issues regarding ag lands. These issues have included ag theft, trespass, invasive species, as well as developing language for the homesite bills in the past, ag dedication bills, ag definitions, and the current Budget and Finance proposal for ag property taxes on tax rates. The goal of the work has been to keep ranches and farms surviving the day to day challenges, and from getting unfair ag land assessments, due to rich people buying up property with our, within our areas they don't intend to farm, and drive your departments nuts.

We have experienced minimum property tax jumps from \$60 to 150 to 300, and recently, currently 400 very quickly. In comparison to last year's \$6 per thousand rate, we're not as concerned about the increase of the property tax rate Mr. Hokama is putting for \$6.01 as proposed, and could consider supporting a one cent increase. At the same time, back in 2011, the tax rate was proposed at \$5.80 per thousand, and the land values were much lower then, compared to 2018. A penny might not sound like much, but this is really, this really affects the tax amount, in regards to the recent large increase of property tax values.

My ag value went up 300 percent. And, the crops and stuff, what we do, haven't gone up in comparison. Many livestock producers operate on multiple TMK's, because that's what's available. These tax payments are based on, are passed on, and are part of property rentals.

To not know the current minimum charge at this point is very spooky for us. In some cases, it would make it impossible for some livestock producers to continue business. This would be a true disappointment, especially when agriculture is trying to move forward and advance in sustainability. Our profit margins are very minimal, and most of us do not earn a paycheck for our time spent working on our business.

We realize that the County is in financial need, but this method of generating income for the benefit of all will hurt Maui County's livestock producers and farmers the most and will have significant long-term impacts on survival of agriculture industry. I'm just going to stand on the rest of the testimony.

CHAIR WHITE: Thank you for your testimony, Mr. Jacintho.

MR. JACINTHO: Thank you.

CHAIR WHITE: Members, any need for clarification? Seeing none, appreciate your coming down tonight.

MR. JACINTHO: Thank you.

CHAIR WHITE: Mr. Clerk.

DEPUTY COUNTY CLERK: Next testifier is Tom Croly. Mr. Croly is the last individual who has signed up to testify in the Council chamber or the District Offices.

MR. TOM CROLY:

Aloha, Chair. Aloha, Council. I support the Chair's, the Budget Chair's proposed tax rates for this fiscal year's budget. I think that it was a prudent step for the Council to more carefully look at the tiered rates before implementing them. I do support the intent of that measure, but this year's budget session was not the time to examine the overall effects and some of it that you just heard from here.

But, I do think that when you look at the numbers that were in that report, it does clearly show who is carrying the tax burden of Maui, okay. Like it or not, these high-end homes, second homes in many cases, they are paying the way. And, we're proposing charging more for them. I do want to point out, though, who's paying the way right now, and who's been paying the way for a long-time.

The 25,765 resident homeowner properties house 60 percent of Maui's residents. They pay approximately 10 percent of Maui's real property tax. That's no surprise to anyone. We recognize that there's a \$60 million subsidy that goes to our homeowners. The commercial and industrial zoned properties, collectively, pay about 12 percent of Maui's tax. The hotels collectively pay about 7 percent of Maui's tax. But, the real heavy lifting, the money you guys are budgeting and spending, are the short-term rentals. It is the short-term rentals that are paying 25 percent of Maui's property tax load.

These short-term rentals, the 11,311 of them, condos as well as permitted short-term rental homes, account for about one half of Maui's visitors, and they're paying 25 percent of the overall tax load. And they're outnumbered by residents, their visitors, about 10 to 1. They are the guys that we need to be thanking for the money that you're spending in this budget.

But, there's one specific class within that group who's really carrying the load. And, those are the permitted short-term rental permit holders. Those 231 are paying on average \$14,550 each in property tax. One of them is paying well over \$100,000 a year in property tax to allow his four-bedrooms to be used for short-term rental use. This is more than double the average paid by condominium owners for their units. And, roughly 12 times the average paid by a Maui homeowner.

I'm a bed and breakfast owner, and I pay double the property tax that I would if I didn't have my bed and breakfast permit. And, I am very happy to pay that. I'm, you know, I'm not complaining about that. I'm not complaining about the rate that's there. But, we, as an island, this folks, you folks as a Council, really need to recognize who



is making it possible for you to have the budget that you're doing here. And, it is the short-term rentals that are making that possible. Thank you.

CHAIR WHITE: Thank you for your testimony, Mr. Croly.

Members, any need for clarification?

Mr. Clerk.

DEPUTY COUNTY CLERK: Mr. Chair, there are no other individuals in the District Offices nor the chamber who wish to offer testimony. And, we have received written testimony.

CHAIR WHITE: Thank you very much, Mr. Clerk.

Is there anyone else in the chambers who would like to provide testimony this evening that has not yet done so?

Seeing no one coming forward, Members, without objection, we'll receive the written testimony into the record.

MEMBERS VOICED NO OBJECTION.

THERE BEING NO OBJECTION, WRITTEN TESTIMONY RECEIVED FROM THE FOLLOWING INDIVIDUALS WERE MADE A PART OF THE RECORD OF THIS PUBLIC HEARING:

1. Rose Royce;
2. William Jacintho, Maui Cattlemen's Association;
3. Betty Chao and Richard Renn; and
4. Carol Carolan.

CHAIR WHITE: Thank you.

And, without objection we will close public testimony for this evening.

DEPUTY COUNTY CLERK: Mr. Chair.

CHAIR WHITE: I'm sor--

DEPUTY COUNTY CLERK: Excuse me, we're not closing public testimony tonight.

CHAIR WHITE: That's, thank you. And, what is the date to which we are recessing?

DEPUTY COUNTY CLERK: Mr. Chair, this, this public hearing on the RPT rates for Fiscal Year July 1, 2018 to June 30, 2019 needs to be recessed until Friday, May 11--

CHAIR WHITE: May 11.

DEPUTY COUNTY CLERK: --2018 at 11 a.m. in the Council chamber.

CHAIR WHITE: Thank you very much. We are in recess until 11 a.m., Friday, May 11, here in the Council chambers.

And with that, we are in recess.

**THE COUNCIL PUBLIC HEARING OF APRIL 25, 2018 WAS RECESSED BY THE CHAIR AT 6:25 P.M., AND WAS RECONVENED BY THE CHAIR ON MAY 11, 2018 AT 11:01 A.M.**

CHAIR WHITE: This meeting, this public hearing on real property tax rates shall reconvene.

Mr. Clerk, please call the roll.

### ROLL CALL

PRESENT: COUNCILMEMBERS ALIKA ATAY, ELEANORA COCHRAN, G. RIKI HOKAMA, KELLY T. KING, YUKI LEI K. SUGIMURA, VICE-CHAIR ROBERT CARROLL, AND CHAIR MICHAEL B. WHITE.

EXCUSED: COUNCILMEMBERS S. STACY CRIVELLO AND DONALD S. GUZMAN.

There were 10 members of the public in attendance.

*(Councilmembers Crivello and Guzman were not present when the roll was called; however, Councilmember Crivello arrived at 11:02 a.m., and Councilmember Guzman arrived at 11:06 a.m.)*

DEPUTY COUNTY CLERK JOSIAH K. NISHITA: Mr. Chair, there are seven Members present, two excused. A quorum is present to conduct the business of the Council.

CHAIR WHITE: Thank you, Mr. Clerk.

Let's proceed with public testimony.

DEPUTY COUNTY CLERK: Mr. Chair, pursuant to Section 3.48.565 of the Maui County Code, the Council of the County of Maui held its first public hearing on Wednesday, April 25, 2018, on the proposed Real Property Tax Rates for the County of Maui effective July 1, 2018 through June 30, 2019. The purpose of this reconvened public hearing is to consider the proposed resolution entitled "ADOPTING THE REAL PROPERTY TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2018".

Notice of this reconvened public hearing was published in the May 3 and 6, 2018 editions of the Maui News.

(Councilmember Crivello arrived at the meeting at 11:02 a.m.)

DEPUTY COUNTY CLERK: Mr. Chair, proceeding with presentation of testimony on agenda items. We've established limited interactive communications that enables individuals from Hana, Lanai, and Molokai to provide testimony from our District Offices. Individuals who wish to offer testimony from Hana, Lanai, and Molokai should now sign up with District Office staff.

Individuals who wish to offer testimony in the chamber, please sign up at the desk located in the eighth-floor lobby, just outside the chamber door.

When testifying, please state your name and the name of any organization you represent.

Currently, we have two individuals signed up to testify in the Council chamber, and none at the District Offices. The first person to testify at the Council chamber is Jim Smith. To be followed by Michael Williams.

## TESTIMONY

MR. JIM SMITH:

I don't live here. Good morning, Chairperson White--

CHAIR WHITE: Good morning.

MR. SMITH: --Members of the Council. I'm going to testify regarding the rates and the assessments. First, you have classifications. And, really, we only have four classifications; urban, rural, okay, ag, and conservation. But in here, you have a mix of a lot of things. You've got homeowner, you got timeshare, you got all these types of words that really shouldn't be there. It should be very clear and very clean. They could be under. So, I'd ask you to consider changing the format of that.

The second is that this really, the problem is speculation, okay. That's what's the problem. So, the solution is not to ignore that. And, I think you can take the opportunity to address that by adding a provision, a part of this, you have land, buildings, but then have homeownership. Put a value on homeownership in terms of the number of years. For example, you can deduct your assessment by one percent per year of homeownership, single homeownership. When you do that, five years would be five percent, you can, 15 years, 10 years. You know, you'd get something in there that would put a drag on speculation.

Now, I know that there have been attempts to protect people or help people. And, they've been, I participated along the way in the circuit breaker and other efforts to do this. There was an attempt to completely exempt people, but that never worked. But this one, I think would because it really is pointing at a solution which is speculation. And, if you have a section that says, homeownership as a factor in your assessment, I think what you've done is you've shown a very social, very human part of a very economic condition. And, that's what our government is; it's human and economic. Now, you may be economic in a . . . but if you're human, you're something else, and you try to incorporate that into law.

So, I would ask you to please include in your rates, an assessment for homeownership. Or a factor for homeownership that would in effect mitigate the escalating assessed value percentage-wise, inflation. If you include inflation per year, you could use that as a scale so that there's no other, other thing. But, I'd ask you to do that. That's my testimony.

(Councilmember Guzman arrived at the meeting at 11:06 a.m.)

CHAIR WHITE: Thank you, Mr. Smith.

Members, any questions for the testifier? Seeing none, thank you so much for being here.

MR. SMITH: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier is Michael Williams. Mr. Williams is the last individual who has signed up to testify in the Council chamber or at the District Offices.

MR. MICHAEL WILLIAMS:

Aloha and good morning, Chair--

CHAIR WHITE: Good morning.

MS. BARRY: --Councilmembers. My name is Mike Williams. I'm a farmer up in Kula. And, I'm here to suggest one change to your property tax policy that I think will help solve the shortage of rental housing, and contribute to money for affordable housing.

The County has always given a tax break to homes occupied by residents who own them. I think you should give the same tax break to homes occupied by residents who rent them. And pay for it by increasing the property tax on the approximately 20,000 housing units here owned by investors who do not live in them and do not make them available to locals to live in either.

I, I've submitted written testimony of where I've done some math. It's very hard to give you any details of how this could work exactly, because there's no good data, solid data on how many housing units there are in this island, in the County, how many are occupied by renters, and whether those renters are, you know, ohanas owned by homeowners or, or in, in units owned by, they're in the other classes; apartments, short-term rentals and so forth. But, I, I think that your RPT staff can give you that data on pretty short notice if, if you asked them to generate it.

I, I suggest you look at my written testimony if you're interested in this idea. And, that's, that's the concept. The numbers I tried to use would basically generate, it

would pay for the subsidy by raising the rates on the investor-owned vacant homes, and it would generate approximately \$10 million more for the affordable housing fund. Thank you.

COUNCILMEMBER GUZMAN: Chair.

CHAIR WHITE: Thank you for your testimony. And, Members, his written testimony is at the back of the document.

Any questions for the testifier?

Mr. Guzman, followed by Mr. Hokama.

COUNCILMEMBER GUZMAN: Thank you. Thank you very much for being here. Are you making an assumption, or is it a factual basis that the property tax is being passed over to the tenants in a long-term lease agreement?

MR. WILLIAMS: In other words, whether the--

COUNCILMEMBER GUZMAN: And, if, if it is factual, do you have a number as to how many properties, landlords, are passing the tax portion onto the tenants?

MR. WILLIAMS: I would, I don't know. I haven't seen a market study of that. But, I would assume that if the, if a home, if the owner of a home is paying less in property tax, they may be able to lower the rent and still make just as, just as much money on the bottom line.

COUNCILMEMBER GUZMAN: Thanks, Chair.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: I just want to tell Mr. Williams, I, you know, I reviewed his proposal. I think there's some good points he's pointed out in his written submittal. But, you know, that the State has the same idea. So, they have their Constitutional amendment, which is--

MR. WILLIAMS: You're two years ahead of them if you start moving now.

COUNCILMEMBER HOKAMA: Well, that's my problem. You know, now there's more hands going for the same dollar, Chair. And, somebody's going to lose out of this gun fight. So, but I--

MR. WILLIAMS: There, they're your--

COUNCILMEMBER HOKAMA: --but I appreciate the, your proposal, though. I reviewed it, and I think there's merit for us to continue to consider your recommendation. So, thank you.

MR. WILLIAMS: Thank you.

COUNCILMEMBER KING: Chair.

CHAIR WHITE: Ms. King.

COUNCILMEMBER KING: Thank you, Chair. Thanks for being here, Mike. Yea, I think this is a really interesting idea. So, would your proposal for the exemption, the tax exemption for people who are renting to residents on a long-term basis, would that be something that they would apply for or are you suggesting that we go find all these people and then give them that exemption?

MR. WILLIAMS: I would suggest you enforce it exactly the way that you, the County currently enforces the residency requirement for homeowners with a one-page form. I submitted it as part of my testimony. You can use the same form with slight modifications to establish the residency of a renter.

COUNCILMEMBER KING: Okay, so that would, it would basically be something like we have to apply for a homeowner's exemption, so it would be like an exemption that you would apply for--

MR. WILLIAMS: That's right.

COUNCILMEMBER KING: --if you were renting to a long-term renting, renting to a resident? Okay. Thank you. I like that.

CHAIR WHITE: Any other questions, Members?

Ms. Cochran.

COUNCILMEMBER COCHRAN: Chair, thank you.

CHAIR WHITE: Oh, Mr. Williams.

COUNCILMEMBER COCHRAN: Thank, oh wait. Thank you, Mr. Williams, for being here, and your submittal in testimony. So, I'm trying, on item number 20, you're breaking down the different taxation rates for the residential parcels with no resident renters, apartment no resident renters, short-term rentals, almost all condos with no resident renters. So, you have three different tax brackets here, and the total you're figuring we stand to gain would be 35 million. Is that what that 35 million is referencing? Should we take your three different rates into consideration on item 20?

MR. WILLIAMS: Well, the 35 million includes the amount of extra taxes you would have to raise from the vacant investor-owned homes to subsidize the new tax break for the homes that are rented out locally. And then, I added another \$10 million in there just as a suggestion for affordable housing fund.

But, you have to remember, my numbers are based on the assumptions of how many rental units there are in the apartment class, in the residential class. And, no one seemed to know that right now. I mean, I think the real property people can find it out, but it's not publicly available anyway.

COUNCILMEMBER COCHRAN: Okay. Alright. But, thank you for your efforts here. Thank you very much.

MR. WILLIAMS: Sure.

CHAIR WHITE: Any further questions? Thank you for being here this morning.

Mr. Clerk.

COUNCILMEMBER HOKAMA: Chairman, just a point of information. If the Council, well, yea, we're in Council, so if the Council will recall, we voted down, when I presented the condo revision bill in Committee, there was a long-term dedication consideration that was proposed; and the body chose to decline and voted it down, okay. But, it was discussed and proposed to the Members.

CHAIR WHITE: Mr. Clerk.

DEPUTY COUNTY CLERK: Mr. Chair, there are no other individuals in the District Offices nor the chamber who wish to offer testimony. And, we have received written testimony.

CHAIR WHITE: Thank you.

Members, without objection, we'll receive the written testimony into the record.



MEMBERS VOICED NO OBJECTION.

THERE BEING NO OBJECTION, WRITTEN TESTIMONY  
RECEIVED FROM MICHAEL WILLIAMS WAS MADE A PART OF  
THE RECORD OF THIS PUBLIC HEARING.

CHAIR WHITE: And, without objection, we'll close public testimony for today.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Do we need to take action on this?

DEPUTY COUNTY CLERK: Yes, Mr. Chair.

## RESOLUTION

RESOLUTION  
NO. 18-83

ADOPTING THE REAL PROPERTY TAX RATES  
FOR THE COUNTY OF MAUI,  
EFFECTIVE JULY 1, 2018

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE THE PROPOSAL AS READ BY THE  
CLERK.

COUNCILMEMBER SUGIMURA:

SECOND.

CHAIR WHITE: We have a motion from Mr. Hokama, and a second from Ms. Sugimura.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, again, I believe your Committee has worked very hard. We vetted the proposal from the Administration. We are presenting a real property tax consideration that we feel is currently fair. We've brought it down to the approximately 4.99 percent, five percent. We have components in, that and if the rates stand and it'll, again, provide sufficient funding for us to take it to the next step where we will be looking at the zoning code updates as well as property tax adjustments and updates as well. So, this is one step to move it toward a comprehensive review, Chairman. Thank you.

CHAIR WHITE: Thank you, Mr. Hokama.

Any further discussion, Members?

COUNCILMEMBER KING: Chair.

CHAIR WHITE: Ms. King.

COUNCILMEMBER KING: Are we trying to, are we trying to vote on this to write it into law at this point?

CHAIR WHITE: This is an up or down vote to establish the rates.

COUNCILMEMBER KING: The rates as proposed?

CHAIR WHITE: As proposed, correct.

COUNCILMEMBER KING: Okay, and--

CHAIR WHITE: So, what happens is if the, if the measure fails then we start the process over, it has to go back to Committee, and then we'll have to have a couple of special meetings between now and the time we need to get the budget out. So, there's no, the Code or the Charter doesn't allow for any modifications at this point. I think it's because if we were to make last minute changes, we could do so without the public having any input. So, if the measure fails, then we need to go back through the public hearing process to establish a new set of rates.

COUNCILMEMBER KING: Okay, but we, but these rates are based on a, a proposal for the budget--

CHAIR WHITE: Correct.

COUNCILMEMBER KING: --that was changed at the last minute, after we had several, or we had consensus on many items and we had votes on many items, and then those items were changed. So, I'm not, I'm not ready at this point to vote on this, this tax rate, because I'm not quite satisfied with some of the last-minute changes that were done.

And, I've heard from a lot of the community that they didn't understand what happened. At 3:15 on Saturday, we thought we had a budget, and then we came back Monday morning, and there are all these changes. And, you know, we didn't really have time to go through the changes; it was kind of last minute. A lot of people were calling, because things that they thought were done at 3:15 Saturday morning were all of a sudden different on Monday morning.

CHAIR WHITE: Well, as I said, this is an up or down vote. We're not able to make adjustments.

Any further discussion, Members? Seeing none, all those in favor please signify by saying "aye".

COUNCILMEMBER CRIVELLO: Aye.

COUNCILMEMBER SUGIMURA: Aye.

COUNCILMEMBER HOKAMA: Aye.

CHAIR WHITE: Those opposed say "no".

COUNCILMEMBER COCHRAN: No.

COUNCILMEMBER KING: No.

CHAIR WHITE: I heard two; Ms. King and Ms. Cochran. Anyone else?

COUNCILMEMBER ATAY: No.

COUNCILMEMBER KING: Roll call.

CHAIR WHITE: Roll call please.

DEPUTY COUNTY CLERK: Councilmember Alikea Atay.

COUNCILMEMBER ATAY: NO.

DEPUTY COUNTY CLERK: Councilmember Yuki Lei Sugimura.  
COUNCILMEMBER SUGIMURA: AYE.  
DEPUTY COUNTY CLERK: Councilmember Elle Cochran.  
COUNCILMEMBER COCHRAN: NO.  
DEPUTY COUNTY CLERK: Councilmember Riki Hokama.  
COUNCILMEMBER HOKAMA: AYE.  
DEPUTY COUNTY CLERK: Councilmember Don S. Guzman.  
COUNCILMEMBER GUZMAN: AYE.  
DEPUTY COUNTY CLERK: Councilmember Kelly T. King.  
COUNCILMEMBER KING: NO.  
DEPUTY COUNTY CLERK: Presiding Officer Pro Temp Stacy Crivello.  
COUNCILMEMBER CRIVELLO: YES.  
DEPUTY COUNTY CLERK: Vice-Chair Robert Carroll.  
VICE-CHAIR CARROLL: AYE.  
COUNTY CLERK: Chair Mike White.  
CHAIR WHITE: AYE.

AYES: COUNCILMEMBERS CRIVELLO, GUZMAN,  
HOKAMA, SUGIMURA, VICE-CHAIR CARROLL AND  
CHAIR WHITE.

NOES: COUNCILMEMBERS ATAY, COCHRAN, AND KING.

DEPUTY COUNTY CLERK: Mr. Chair, there are six "ayes", three "noes"; motion passes.

CHAIR WHITE: Thank you, Mr. Clerk.

Do we have any further business?

DEPUTY COUNTY CLERK: For the record, that's RESOLUTION 18-83.


And, there's no further business before the Council.

CHAIR WHITE: Thank you very much. Thank you for being here, Members.

And, we are adjourned.

### ADJOURNMENT

The public hearing of *APRIL 25, 2018*, was adjourned by the Chair on *MAY 11, 2018*, at 11:18 a.m.



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DENNIS A. MATEO, COUNTY CLERK  
COUNTY OF MAUI, STATE OF HAWAII

# Rose Royce

- **By Breena Kerr**

23 April 2018

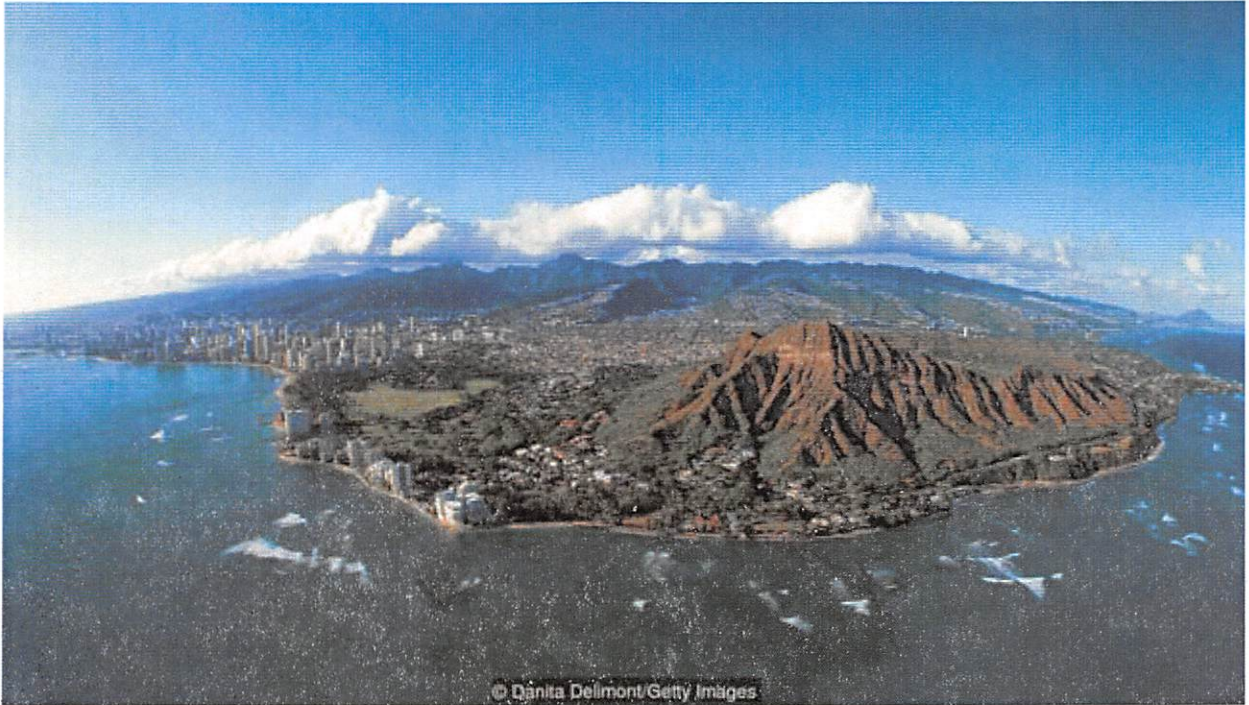
It was mid-afternoon on our second day living in Hawaii, and I woke up groggy from a much-needed power nap. I stumbled into the kitchen where my girlfriend was sitting on the floor with the guy from the cable company. He had come to set up our internet – something we direly needed, because our house is situated in a lush valley with no mobile phone signal. But, I realised, they weren't even talking about the internet. Instead, I found, he was inviting her to come boar hunting with him.

## **You may also be interested in:**

- The code that travellers need to learn
- The Swedish word poached by the world
- The Greek word that can't be translated

As the days passed, the friendly happenings increased. We stopped by a neighbourhood farm and were offered avocados from the caretaker's tree. We arrived at the end of a hiking trail, or so we thought, when a passing father and daughter offered to show us the secret additional part of the path that led up a rock face, over boulders and through a stream to a hidden waterfall. On another occasion, we were headed for a swim in the ocean, when someone on shore warned us that the current was too strong to swim safely, then offered us a beer and invited us to go canoeing.

There may be many words to explain these kinds of encounters, but at least one of them is 'Aloha'. And as it turns out, 'Aloha' is actually the law here.



In Hawaii, 'Aloha' is more than a greeting – it's the law (Credit: Danita Delimont/Getty Images)

Hawaii now hosts almost nine million visitors a year, and 'Aloha' is a word that most of those tourists will hear during their time on the islands. The word is used in place of hello and goodbye, but it means much more than that. It's also a shorthand for the spirit of the islands – the people and the land – and what makes this place so unique.

"*Alo* means 'face to face' and *Ha* means 'breath of life'," according to Davianna Pōmaika'i McGregor, a Hawaii historian and founding member of the Department of Ethnic Studies at the University of Hawaii, Manoa. But McGregor also noted that there are several less literal, but equally valid, interpretations of the word.

*Aloha is a concept that grew out of the necessity for Hawaiians to live in peace and work together*

One especially memorialised interpretation was shared by a respected Maui elder named Pilahi Paki at the 1970 conference,

Hawaii 2000, where people had gathered to discuss the past, present and future of Hawaii. It was a time of heightened disagreement in the islands, over Vietnam and other political issues, and Paki stood up to give an emotional speech about the Aloha Spirit – in other words, the unique spiritual and cultural code of a Hawaii that is uniting rather than divisive. In it, she described what Aloha meant about the way people should treat one another.

In her speech, she broke each letter of 'Aloha' down to one phrase. And that speech became the basis for Hawaii's Aloha Spirit law, which essentially mandates consideration and kindness:

“Akahai, meaning kindness to be expressed with tenderness;  
Lōkahi, meaning unity, to be expressed with harmony;  
'Olu'olu, meaning agreeable, to be expressed with pleasantness;  
Ha'aha'a, meaning humility, to be expressed with modesty;  
Ahonui, meaning patience, to be expressed with perseverance.”

Although the Aloha Spirit law didn't become official until 1986, its origins are deeply rooted in native Hawaiian culture. Aloha is a concept that grew out of the necessity for Hawaiians to live in peace and work together, in harmony with the land and their spiritual beliefs, McGregor told me.





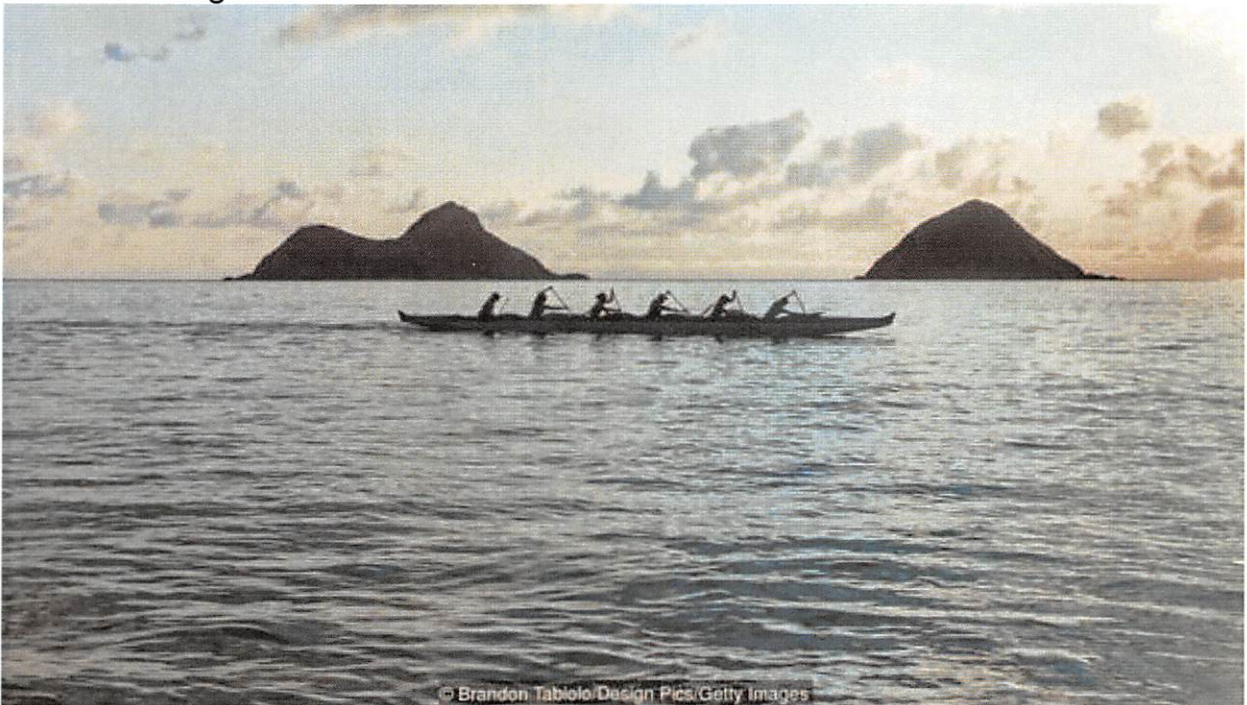
The Aloha Spirit law is deeply rooted in native Hawaiian culture (Credit: Babak Tafreshi/Getty Images)

It makes sense. Hawaii is the most isolated population centre in the world: the California coast is around 2,400 miles away; Japan is more than 4,000 miles. The islands are small – most (like Maui, where I live) can be driven around in a single day. Then, as now, there are no bridges connecting the islands, and even inter-island travel is a challenge. With nowhere to go, the only option, it would seem, is to get along.

“Being isolated, historically, our ancestors needed to treat each other and the land, which has limited resources, with respect,” McGregor said. “For Hawaiians, the main source of labour was human. So there was a need for collective work among extended families and a high value placed on having loving and respectful relationships.”

Like any place, she added, Hawaii had its problems with people abusing power. But, she said, there’s evidence that if a chief was

not acting “with Aloha”, peace-loving Hawaiians would find ways to get rid of them.



The islands' isolated location led Hawaiians to place a high value on respectful relationships with one another (Credit: Brandon Tabiolo/Design Pics/Getty Images)

It's not so different from how the Aloha Spirit law is applied today.

According to the Hawaii State Attorney's Office, the law is mostly symbolic, but that doesn't mean it doesn't work – especially when political leaders or business people get out of line.

“This law is virtually impossible to enforce because it is a philosophy that directs a code of conduct and way of life. Nonetheless... all citizens and government officials of Hawaii are obligated to conduct themselves in accordance with this law,” Dana Viola, first deputy attorney general of Hawaii, said in an email.

If a business or a government official doesn't act with Aloha Spirit, they could lose business or be chastised publicly. “So the consequences are real,” she added.



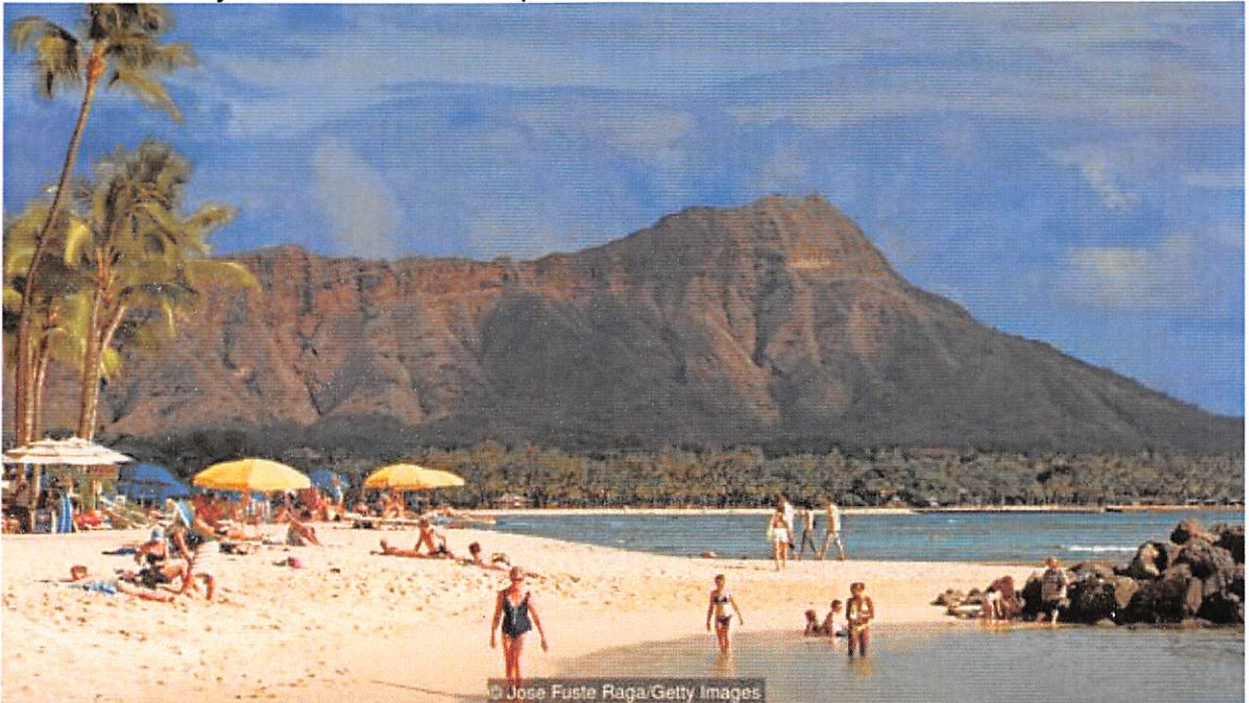
Residents, businesses, government officials and even visitors are expected to act with Aloha Spirit (Credit: Linda Ching/Getty Images)

But Wendell Kekailoa Perry, assistant professor at the Hawai'iunuiakea School of Hawaiian knowledge, who has studied the Aloha Spirit law in depth, said that the law and its sentiment aren't always positive.

"The Aloha Spirit is used to argue that everyone in Hawaii can 'feel' and should accept the love for humanity... [and] says that the Aloha Spirit transcends race, differences and embraces togetherness or 'equality'. That is a problem because it ignores all of the complexities of our life and society," Perry said.

"Maybe, on a good day, the law can support Hawaiian rights," he added. But on a bad day, he said, it can be used to silence native Hawaiians who are protesting injustices in the islands. When that happens, "The Aloha they are using is actually part of the 'passive' and 'don't-make-waves' native identity created during the US occupation and control. But, if you look at the thousands of debates that were publicly expressed in Hawaiian language

newspapers and protests, it is obvious that passivity was not the only Hawaiian cultural practice.”



Although the Aloha Spirit law likely has its flaws, it still resonates with those who live in Hawaii (Credit: Jose Fuste Raga/Getty Images)

Before Pahi, who inspired the law, passed away, she reportedly said that with Aloha, and the mutual respect that it entails, “Hawaiians have the power to save world culture.” Although the law likely has its flaws, it’s something that still resonates in the islands.

“Visitors to Hawaii often talk about how Hawaii is a beautiful place, but the most special part of their experience has been the people, and how nice people are,” said Hawaii State Representative Tulsi Gabbard. “People across the United States and around the world ultimately want peace... By truly living Aloha – having respect and love for others – we can be empowered to overcome those differences and find solutions that best serve the wellbeing of people and our planet.”

*Aloha, for me, is kindness and harmony – something important to keep in mind between ‘hello’ and ‘goodbye’*

Often, when people think of Hawaii, it's in the context of a holiday. When I moved here two months ago, a friend said "Think of me when you're having cocktails on the beach." He imagined an idyllic, one-dimensional version of my life that doesn't square with the reality. There's still work to do, bills to pay, shopping and laundry to do and all the other trappings of a normal life.

The Aloha Spirit law is somewhat similar. It's an idealised version of something that does exist, but is far too complicated to fit in a one-page definition.

For now, I'll say that Aloha, for me, is kindness and harmony – something important to keep in mind between 'hello' and 'goodbye'.

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MAUI CATTLEMEN'S ASSOCIATION

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**Maui Cattlemen's  
Association**

**PO Box 473**

**Kula, HI 96790**

**Board of Directors  
and Officers**

**Tanya Akaka**

**Brendan  
Balthazar**

**Harry Cambra**

**Robert Ferreira**

**Alex Franco**

**Greg Friel**

**Jimmy Gomes**

**William G. Jacintho**

**Kristin Mack**

**Ken Miranda**

**Jacob Tavares**

**Sustaining  
ranching  
communities in  
Hawaii**

TESTIMONY

Budget and Finance Committee  
Council of the County of Maui

Wednesday, April 25, 2018  
6:00 p.m.  
Council Chamber, 8th Floor  
200 South High Street, Wailuku, Hawaii

Maui County Council Public Hearing-Real Property Tax Rates

Committee Chair Council Member Riki Hokama  
Committee Vice-Chair Council Member Mike White  
Members of the budget and Finance Committee

Good Evening Maui County Council Members,  
I am William Jacintho, President of the Maui Cattlemen's Association,

As you know, I have been chairing the MCA Land Committee, and working with others  
in the Agriculture Industry regarding Agriculture Property.

For several years, the Maui Cattlemen's Association has been dedicating many hours to  
issues regarding Ag Lands. These issues have included Ag Theft, Trespass, Invasive  
Species, as well as developing language for the homesite bill, the Ag Dedication Bill, Ag  
Definitions, and the current Budget and Finance proposal for Agriculture Property Tax  
Rates. The goal of the work has been to keep ranches and farms surviving the day to day  
challenges, and from getting unfair Ag land assessments, due to rich people buying up  
property within our areas they don't intend to farm, and drive your Departments nuts.

We have experienced minimum property taxes jump from \$60 to \$150 to \$300, to \$400  
very quickly. In comparison to last year, (\$6.00/\$1,000) we are not as concerned about  
increasing the property tax rate for Agriculture (\$6.01/\$1,000 )as proposed by Budget  
Chair Hokama, and could consider supporting a one cent increase. At the same time,  
back in 2011, the tax rate was proposed at \$5.80 per \$1,000, and the land values were  
much lower then, compared to 2018. A penny may not sound like much, but this really  
affects the tax amount, in regards to the recent large increases of property values.

Many livestock producers operate on multiple TMK's, because that's what is available.  
These tax payments are passed on, and are part of property rentals. To not know the  
current minimum charge at this point, is very spooky for us. In some cases, it would  
make it impossible for some livestock producers to continue business. This would be a  
true disappointment, especially when agriculture is trying to move forward and advance  
in sustainability. Our profit margins are very minimal, and most of us do not earn a  
paycheck for our time spent working on our business.

You can search the web, and get a comparative crop price information sheet on commodity sales based on several years of data collected by Hawaii Agriculture Statistics Service.(HASS) In the past, I have provided an older version of Farm Production Expense sheet from my farm which showed that market sales have not been keeping up with production expenses. These numbers were real, and farmers and ranchers cannot keep absorbing Ag production costs.

There has been a large increase in Motor Vehicle taxes, which we have not opposed, that affects our costs to operate our trucks and trailers. In addition, there has been an increase in water rates, which we have not opposed.

We realize that the County is in financial need, but this method of generating income for the benefit of all will hurt Maui County's livestock producers and farmers the most and will have significant long-term impacts on the survival of agricultural industries.

Thank you for the opportunity to testify. The Maui Cattlemen's Association is an organization representing small and large livestock producers in Maui County including Molokai and Lanai. You may reach the Maui Cattlemen's Association through the address provided above, or this email address:  
jacinthow001@hawaii.rr.com

Sincerely,

A handwritten signature in blue ink that reads "William G. Jacintho". The signature is written in a cursive style with a small flourish at the end.

William Jacintho, President  
Maui Cattlemen's Association

**Table 2. Market Value of Agricultural Products Sold Including Direct Sales: 2012 and 2007**

[For meaning of abbreviations and symbols, see introductory text.]

Item	Hawaii	Hawaii	Honolulu	Kauai	Mau
Total sales (see text) .....farms, 2012	7,000	4,282	999	591	1,128
.....farms, 2007	7,521	4,650	967	748	1,156
.....\$1,000, 2012	661,347	247,245	161,488	64,514	188,100
.....\$1,000, 2007	513,626	202,572	126,577	45,151	139,326
Average per farm .....dollars, 2012	94,478	57,741	161,650	109,160	166,755
.....dollars, 2007	68,292	43,564	130,897	60,362	120,524
2012 value of sales:					
Less than \$1,000 (see text) .....farms	1,262	823	108	129	202
.....\$1,000	199	111	12	32	43
.....farms	868	484	113	93	178
.....\$1,000	1,392	792	174	145	282
.....farms	902	555	110	71	166
.....\$1,000	3,143	1,916	400	244	584
.....farms	1,058	682	123	90	163
.....\$1,000	7,287	4,680	861	600	1,145
.....farms	1,034	628	151	80	175
.....\$1,000	14,346	8,705	1,991	1,224	2,426
.....farms	363	228	60	28	47
.....\$1,000	7,957	5,016	1,309	609	1,023
.....farms	523	338	96	29	60
.....\$1,000	16,171	10,423	3,000	876	1,872
.....farms	161	89	37	15	20
.....\$1,000	7,026	3,899	1,605	658	864
.....farms	323	195	74	17	37
.....\$1,000	21,677	13,145	4,988	1,051	2,493
.....farms	248	129	66	19	34
.....\$1,000	37,628	19,461	9,990	2,791	5,386
.....farms	110	62	22	6	20
.....\$1,000	37,740	21,923	7,643	2,124	6,050
.....farms	148	69	39	14	26
.....\$1,000	506,780	157,173	129,515	54,161	165,932
2007 value of sales:					
Less than \$1,000 (see text) .....farms	1,646	1,204	113	115	214
.....\$1,000	299	196	24	33	46
.....farms	1,286	727	118	177	264
.....\$1,000	2,032	1,147	183	277	426
.....farms	1,012	612	114	121	165
.....\$1,000	3,588	2,178	401	441	569
.....farms	998	597	156	102	141
.....\$1,000	7,048	4,245	1,132	712	959
.....farms	939	587	130	86	136
.....\$1,000	12,962	8,209	1,741	1,178	1,834
.....farms	204	124	37	19	24
.....\$1,000	4,418	2,681	804	407	526
.....farms	401	254	71	24	52
.....\$1,000	12,480	7,858	2,223	742	1,656
.....farms	156	88	22	16	30
.....\$1,000	6,716	3,780	946	677	1,313
.....farms	353	198	60	51	44
.....\$1,000	24,332	13,606	4,096	3,660	2,970
.....farms	274	141	71	23	39
.....\$1,000	40,897	21,332	10,487	3,195	5,883
.....farms	106	47	26	6	27
.....\$1,000	37,691	16,757	9,562	2,216	9,155
.....farms	148	71	49	8	20
.....\$1,000	361,164	120,584	94,980	31,611	113,989
Value of sales by commodity or commodity group:					
Crops, including nursery and greenhouse crops .....farms, 2012	5,057	3,084	790	364	819
.....farms, 2007	5,376	3,218	751	544	863
.....\$1,000, 2012	538,873	156,384	145,313	55,696	181,480
.....\$1,000, 2007	429,916	150,251	106,836	40,771	132,058
Grains, oilseeds, dry beans, and dry peas .....farms, 2012	16	1	7	5	3
.....farms, 2007	15	1	7	5	2
.....\$1,000, 2012	152,930	(D)	55,190	(D)	(D)
.....\$1,000, 2007	19,353	(D)	5,502	(D)	(D)
Corn .....farms, 2012	16	1	7	5	3
.....farms, 2007	15	1	7	5	2
.....\$1,000, 2012	(D)	(D)	55,190	(D)	(D)
.....\$1,000, 2007	19,353	(D)	5,502	(D)	(D)
Wheat .....farms, 2012	-	-	-	-	-
.....farms, 2007	-	-	-	-	-
.....\$1,000, 2012	-	-	-	-	-
.....\$1,000, 2007	-	-	-	-	-
Soybeans .....farms, 2012	2	-	-	2	-
.....farms, 2007	-	-	-	-	-
.....\$1,000, 2012	(D)	-	-	(D)	-
.....\$1,000, 2007	-	-	-	-	-
Sorghum .....farms, 2012	1	-	-	1	-
.....farms, 2007	-	-	-	-	-
.....\$1,000, 2012	(D)	-	-	(D)	-
.....\$1,000, 2007	-	-	-	-	-
Barley .....farms, 2012	-	-	-	-	-
.....farms, 2007	-	-	-	-	-
.....\$1,000, 2012	-	-	-	-	-
.....\$1,000, 2007	-	-	-	-	-
Rice .....farms, 2012	-	-	-	-	-
.....farms, 2007	-	-	-	-	-
.....\$1,000, 2012	-	-	-	-	-
.....\$1,000, 2007	-	-	-	-	-
Other grains, oilseeds, dry beans, and dry peas .....farms, 2012	1	-	-	1	-
.....farms, 2007	-	-	-	-	-
.....\$1,000, 2012	(D)	-	-	(D)	-
.....\$1,000, 2007	-	-	-	-	-

--continued



## HASS Information for Commodity Sales

Commodity \$/#	1984	1991	1995	2005	2009
Market steers live	.50	.51	.49	.55	.59
Market steers dress	.91	.93	.89	1.00	1.09
Market cows live	.32	.34	.29	.27	.29
Market cows dress	.59	.62	.54	.50	.53
Hogs Farm Live		.81	.79	.89	.95
Hogs Market slghtr		1.08	1.08	1.24	1.31
Eggs farm price		.85	.87	.94	1.51
Atemoya		1.09		1.35	1.34
Star fruit		.67	.18		
Lychee		2.14	1.75	2.66	2.75
Mango		.73	.89	1.11	.98
Rambutan		2.00		2.51	2.40
Cherimoya		1.06	1.47		
Persimmon				1.63	1.60
Pineapple Fresh		\$415/ton	\$500/ton	\$600/ton	
Avocado		.47	.54	.66	.69
Banana		.38	.52	.44	.55
Limes		.62	.35		
Tangerines		.40	.46		
Beans Snap		.94	1.03	.97	1.00
Chinese Cabbage		.23	.23	.30	.35
Cabbage		.19	.22	.27	.30
Celery		.24	.31	.37	.38
Sweet Corn		.32	.65	.46	.53
Cucumber		.46	.38	.46	.53
Egg Plant		.64	.76	.74	
Lettuce (hd)		.38	.44	.81	.95
Romaine		.34	.41	.54	.51
Dry Onions		1.05	1.14	1.56	1.25
Green onions		.91	1.14	1.14	1.45
Green pepper		.63	.55	.64	.69
Sweet potato		.34	.54	.61	.65
Zucchini		.44	.51	.56	.60
Taro		.44	.49	.56	.70
Tomato		.50	.45	.69	.69
Water melon		.14	.16	.27	.30
Watercress		1.15	1.15	1.40	1.70
Broccoli		.51	.60	.73	.80
Pumpkin		.22	.23	.63	.66

FARM PRODUCTION EXPENSES

Item	Year 1993	Year 2011
Phone	\$46.60	\$27.00+\$45.00+\$233
Electric Warehouse	\$24.85	\$88.00
Gas	\$1.639/gal	\$4.40/gal
Diesel	\$ <than gas	\$4.60/gal
Pick up Trk Tax	\$128.75	\$366.00
Stock trailer tax	\$98.90	\$211.40
Flat tire repair	\$8.50	\$26.04
Pick up Trk tire	\$75.89	\$300.00
Insurance 2 Auto	\$800.00	\$2,540.00
Business Insurance	\$200.00	\$3,200.00
Sunshine mix potting soil	\$21.60/bag	\$35.50/BAB
6 Inch pots	\$34.75/bag	\$35.50/ bar
Slow release fertilizer	\$30.00/ bag	\$91.55/bag
Labels	\$0	\$700.00/year
1 Sync Global Register	\$0	\$625.00/year
Computer	\$0	\$1,000.00/year
Advertising	\$0	\$1,200.00/year
Certification	\$0	\$1,300.00/year
Barbed wire	\$43.00/roll	\$120.00/roll
T-post	\$2.30/pole	\$6.40/pole
Kiawe post	\$7.00/post	\$20.00+/post
Labor farm worker	\$	\$
Invasive Species	\$	\$
Fireweed		
Tumbleweed		
Deer		
Freight	\$	\$
Theft Losses	2004 Maui \$329,000	2004 State \$1,946,000
Vandalism Losses	2004 Maui \$1,160,000	2004 State \$2,019,000
Security Costs	2004 Maui \$835,000	2004 State \$11,365,000
TOTAL	\$2,324,000	\$11,365,000 (Owners time not in)

Weather

- Drought Losses
- Storms

FW: Letter to Mayor

RECEIVED  
2018 APR 19 AM 9:21

Mike White

Thu 4/19/2018 9:12 AM

To: County Clerk <County.Clerk@mauicounty.us>;

OFFICE OF THE  
COUNTY CLERK

---

**From:** richardmrenn110@comcast.net [mailto:richardmrenn110@comcast.net]  
**Sent:** Thursday, April 19, 2018 7:07 AM  
**To:** Mike White <Mike.White@mauicounty.us>; Riki Hokama <Riki.Hokama@mauicounty.us>  
**Cc:** 'Rose Royce' <royceroses@aol.com>; 'Betty Chao' <bchao@westech-intl.com>  
**Subject:** Letter to Mayor

**To:** Maui County Council  
**From:** Dr. Betty Chao and Mr. Richard Renn  
110 Manalo, Wailea Golf Vistas, Wailea, HI 96753  
Cell: 505-401-1083

**RE: Maui County Council Meeting; *Mayor's Proposed Tax Increase of 50% on Properties Owned by Nonresidents with an Assessed Value above \$1.5 million***

Since we cannot make it to Maui for the April 25<sup>th</sup> Council meeting, please accept this e-mail as our official notification of our strong **OPPOSITION** to this proposal. I am dismayed and disheartened to know that as a group of people who already pay a high percentage in personal property taxes, we are now additionally to be penalized with a 50% hike in our property taxes. Nonresidents as a group use far less in county resources, already pay one of the highest tax rates, yet our being considered for this punitive property tax increase! My wife and I currently spend less than 2 months per year on Maui.

Furthermore, I'm disappointed that our group (non-residents) is targeted for this increase, but we have no vote in the matter. Therefore, we cannot express our displeasure of proposals like this through the ballot box (e.g. we have no representation with regard to taxes levied against us). We feel as though we're being targeted for this very reason.

I am retired and my wife wants to retire soon, but if this dramatic increase in tax liability is approved, we'll have to re-think that strategy. Now, if this tax hike is approved, we will sell our Maui property and buy elsewhere in Hawaii. I know some of our other nonresident neighbors are considering similar actions. We hope the council and the Mayor fully consider the

ramifications of a such a drastic measure before voting to proceed. Thank you for your consideration.

Respectfully,

*Richard M. Renn*  
*Director DOE Business Unit*  
*Westech International, Inc.*

**NOTICE: This E-mail (including attachments) is covered by applicable law, including the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510 - 2521, is confidential and may be legally privileged. If you are not the intended recipient, immediately notify the sender by reply e-mail and then delete the e-mail in its entirety from your system without retaining, disseminating, distributing or copying.**

# Property Taxes

carol carolan <carolanncarolan@yahoo.com>

Sun 4/22/2018 4:40 PM

To:County Clerk <County.Clerk@mauicounty.us>;

RECEIVED

2018 APR 23 AM 7:32

OFFICE OF THE  
COUNTY CLERK

Dear County Clerk:

This letter concerns the recent creation of the "Short Term Rental" classification and the pending tax ramifications. If you vote to increase the taxes for short term rental homes, my property taxes will go from an already excessive \$18,725 to \$25,000 per year! That's an increase of \$523 per month. How could this possibly be considered to be fair?

It's true that short term rental home (STRH) owners have expenses such as a mortgage, insurance, water, electricity, etc. just like everybody else. However, because of County requirements, our insurance premiums are higher, and water and electric costs more because of the additional use of these utilities. (Our water bill for the year was \$3,021 and our electric bill was \$5,000.) Furthermore, STRH owners have a host of other expenses, which fund the government and provide wages for local families, which, in turn, fund island spending. For example, in 2017, we paid \$9,749 in GE taxes and \$21,810 in TA taxes. (Our insurance premiums cost \$10,785.) Maid service cost \$16,031, management company commissions cost \$48,003, travel agents cost \$3,923, check-in services cost \$2,092, credit card fees cost \$5,188, advertising cost \$319, maintenance initiated by the management company cost \$3,902. These maintenance fees are just what was handled by the management company when a guest calls and says the a/c won't turn on, or the light bulbs need to be replaced, or the screen door is broken, or the tile on the kitchen counter broke, etc. My husband and I pay for much more maintenance that does not go through the management company.

It is not my intention to bore you with these details, but to show you there are many, many expenses incurred running a short term rental home. Some might fantasize that STRH owners are making a fortune in this industry. On the contrary, the truth is sobering. In addition to everything listed above, we must keep our homes in pristine condition. That means more frequent painting of the interior and exterior of the home. Suitcases are brutal when they get banged into walls. Children just love to take their crayons and paints and hit the floors, furniture or walls. Upholstery and rugs get dirty quickly and must be cleaned several times each year. Linens must be replaced on a regular basis, beach towels disappear, glasses are broken, and I personally believe there's a monster out there who eats teaspoons because ours disappear by the truckload!

Knowing some council members believed short term rental homes should pay the same taxes as do hotels, we worked valiantly to show the significant differences. The bottom line is we have only one income stream with none of the bells and whistles of elaborate hotels or beautiful condo complexes. We provide a bed ... period. We've had to jump through hoops to get our permits, had to pay significant money in the process, have to meet extra insurance demands, all while being severely limited in what we can and cannot offer at our rentals. We are limited in the number of people we can house, there can be no parties, no weddings, no nothing except a place to sleep. We can't even sell our homes with our permits in place. Essentially, the County has put so many restrictions on us it sometimes feels suffocating.

It is very frustrating that it doesn't seem to matter that complaints from permitted rental homes are few and far between, that we contribute greatly to Maui's economy, that we employ many locals to maintain our homes, and bring visitors to the island who otherwise would not come and who then spend amply on the island. Instead, it sometimes feels that STRH owners have been scapegoated. There seems to be this unshakeable belief amongst some government officials that STRHs are the reason for the island's affordable housing shortage. When my property manager first told me this, I told him that couldn't be true. I thought no one could possibly believe that and I actually thought he was joking. I have no doubt this is a multi-faceted problem and, perhaps, unpermitted property owners take advantage of the system. However, in my opinion, the handful of permitted STRH owners are not to blame for this problem. For example, across the street from the Maui Sands Condominium Complex, located at 3559 Lower Honoapiilani Road, Lahaina sits state-owned property that was slated for affordable housing. What was done with the property? It now houses a boat storage facility! Initially there were excuses from the County that there was insufficient land to build enough units. This was extremely frustrating to watch.

I'm sure it's not your intention, but there are times when I actually feel persecuted. Since obtaining my permit, it's been one assault after another. It seems to make no difference if you do everything by the book and follow all of the rules. The government just wants to put more restrictions on us. Believe me, taxing this industry into oblivion will only destroy it. It offers so many benefits, that it seems the County should want to help it flourish and not destroy it.

It is unfair to limit the STRH industry so that it shares none of the benefits of hotels or condos and then impose the same taxes upon them as if they were a hotel or condo. Remember, a vacation rental condo can build a business and sell that business. We aren't able to do that. Hotels have multiple incomes streams; we have one. Undoubtedly, imposing this additional, unfair tax will put many of us out of business. Some simply won't be able to make ends meet and others, who will still turn a small profit, will say it's just not worth the aggravation.

I know the County is faced with having to balance a budget. However, unfairly taxing the STRH industry is not the answer. We are already burdened with enough expenses and limitations.

Sincerely,

Carol Carolan, Ph.D.

# Testimony for tomorrow's public hearing on Property Tax policies

Michael Williams <michaelwilliams@pueofarm.com>

Thu 5/10/2018 10:26 AM

To: County Clerk <County.Clerk@mauicounty.us>; Mike White <Mike.White@mauicounty.us>; Robert Carroll <Robert.Carroll@mauicounty.us>;

Cc: Kelly King <Kelly.King@mauicounty.us>; Alika A. Atay <Alika.Atay@mauicounty.us>; Elle Cochran <Elle.Cochran@mauicounty.us>; Donald S. Guzman <Donald.Guzman@mauicounty.us>; Riki Hokama <Riki.Hokama@mauicounty.us>; Yukilei Sugimura <Yukilei.Sugimura@mauicounty.us>;

 4 attachments (7 MB)

Home\_Exemption Application Form 2013.pdf; RPT Selected Real Property Statistics 2018.pdf; 2016 Maui Data Book Chapter 8--Housing.pdf; Testimony Re Property Tax Reforms--Michael Williams 05-11-2018.pdf;

Aloha kakou. Please see the attached written testimony along with 3 relevant attachments. Mahalo.

RECEIVED  
2018 MAY 11 AM 7:28  
OFFICE OF THE  
COUNTY CLERK





County of Maui – Department of Finance  
**REAL PROPERTY ASSESSMENT DIVISION**  
 70 E Kaahumanu Ave., Ste A-16, Kahului, HI 96732  
 Phone: (808) 270-7297

**CLAIM FOR HOME EXEMPTION**  
 (Chap. 3.48.410 & 3.48.450 MCC; 514A-6 & Related Sec., HRS)

**Deadline for Filing: DECEMBER 31, 2018**

TAX MAP KEY				
Zone	Section	Plat	Parcel	CPR

Owner's Name _____		Social Security Number _____		Date of Birth _____	Verified <input type="checkbox"/>
Owner's Name _____		Social Security Number _____		Date of Birth _____	Verified <input type="checkbox"/>
Property Address _____		Apt. No. _____	City _____	State _____	Zip Code _____
Mailing Address _____		Apt. No. _____	City _____	State _____	Zip Code _____
Home Phone _____	Cell Phone _____	Business Phone _____		Date Purchased (Home) _____	
Do you have multiple dwellings on your property? <input type="checkbox"/> NO <input type="checkbox"/> YES		If YES, please indicate square feet living area of the dwelling you reside in: _____ square feet _____ Year Built			
Is any portion of the dwelling you reside in used as a rental or business? <input type="checkbox"/> NO <input type="checkbox"/> YES		If YES, please indicate square feet living area of rental or business: _____ square feet			
Do you or your spouse claim a home exemption or similar type of exemption anywhere else? <input type="checkbox"/> NO <input type="checkbox"/> YES		If YES, indicate the tax map key number & location: _____			
Tax Map Key Number _____		State _____		County _____	

You may be entitled to the home exemption if **ALL** of the following requirements are met. Please initial to confirm you meet or will meet the requirements.

I own and occupy this property as my principal residence as of January 1, 2019 and filed a claim for home exemption on or before December 31, 2018. Must be occupied for more than two hundred seventy (270) days per calendar year.

\_\_\_\_\_  
Initial(s) Here

I understand I must file a 2017 State of Hawaii Resident Income Tax Return with a reported address in the County prior to January 1, 2019. Annual filing required thereafter. (NOTE: Non-resident and part-year resident State of Hawaii income tax returns do not qualify for the home exemption)

\_\_\_\_\_  
Initial(s) Here

My property taxes are not delinquent on this parcel. (NOTE: No home exemption shall be allowed if taxes on the property are delinquent)

\_\_\_\_\_  
Initial(s) Here

Submit this Claim with proof of age. Acceptance proofs are: Driver's License, State identification card, birth certificate and other governmental or legal documents. (Copies are accepted with claims submitted by mail)

To ensure your application is received, we recommend mailing this application via certified mail with return receipt requested along with a self-addressed stamped envelope for the return copy of your processed application for your records. One application per envelope.

CERTIFICATION			
I certify that I own and occupy this home, and that all statements in this return are true and correct to the best of my knowledge. I understand that any misstatement of facts will be grounds for disqualification and penalty and may be guilty of a misdemeanor per MCC 3.48.072. I also understand if I cease to qualify for this exemption, I must report to the assessor within 30 days this change in facts or status. Failure to report a change in facts or status will result in disqualification and penalties.			
Owner's Signature _____	Date _____	Owner's Signature _____	Date _____
			SPACE RESERVED FOR DATE STAMP

The applicant's social security number is required for the purpose of establishing the identity of the applicant for home exemption, maintaining a record of homeowner exemption claims and verification purposes. The requirement is authorized under the Federal Social Security Act [42 U.S.C.A. Sec. 405(c)(2)(C)]. Failure to disclose will result in a delay in processing the claim. If disclosed, social security numbers will not be subject to public access.

FOR OFFICIAL USE			
PITT CODE _____	BLDG % _____	Received by: _____	
EX CODE _____	LAND % _____	FOR TAX ASSESSOR _____	DATE _____
BLDG NO. _____			

**1. What is a home exemption?**

The home exemption is a tax relief program that reduces taxable assessed value by \$200,000 and reclassifies property for tax rate purposes into the Homeowner class.

**2. What are the qualifications for a home exemption? (Must be met annually)**

- a. The owner must occupy the Maui County home for which the exemption is being claimed for more than two hundred seventy (270) calendar days of each calendar year.
- b. Owner must not rent the entire premises for any portion of the year.
- c. Owner must file an income tax return as a resident of the State of Hawaii with a reported address in Maui County the year prior to the effective date of the exemption. Non-resident and part-year resident State of Hawaii income tax returns do not qualify for the home exemption.
- d. The property taxes must not be delinquent.

**3. Why do I have to file a Hawaii Resident Income tax return?**

It is one of the requirements of the County ordinance. It is necessary to qualify for the home exemption, as well as to maintain the home exemption status.

**4. Do I have to file a Hawaii Resident Income tax return if my accountant says I don't have to file because I don't have income or didn't make enough income?**

Yes, it is one of the requirements of the County ordinance. It is necessary to qualify for the home exemption, as well as to maintain the home exemption status.

**5. Do I have to file a Hawaii Resident Income tax return every year?**

Yes, it is one of the requirements of the County ordinance. It is necessary to qualify for the home exemption, as well as to maintain the home exemption status.

**6. Is there a deadline to file a claim for home exemption?**

Yes, December 31 of the preceding assessment year.

**7. When does the exemption take effect?**

The exemption will take effect January 1 after a claim has been filed. The change in taxes will take effect on the subsequent July 1.

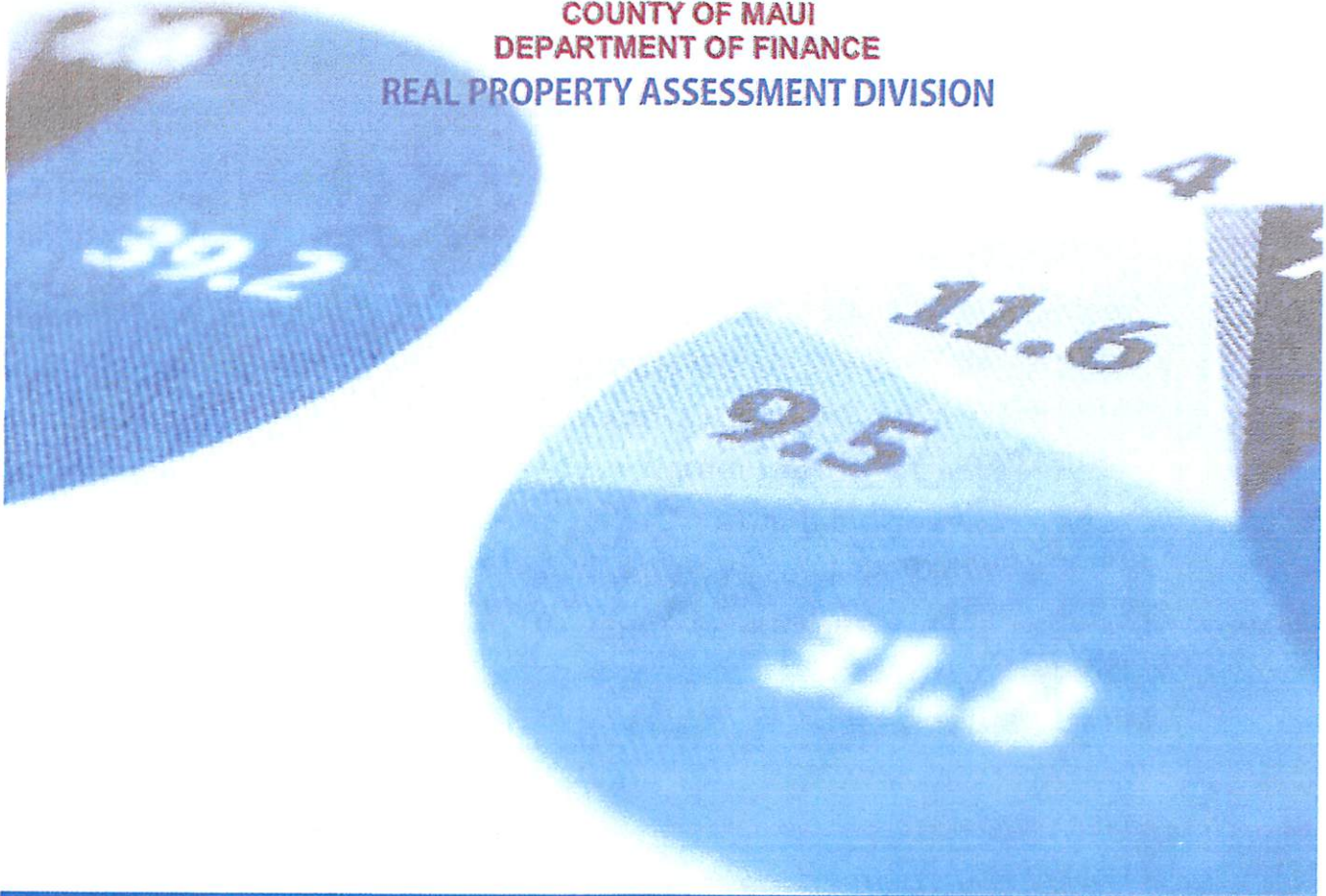
**8. Do you have to file a claim for home exemption every year?**

No, the exemption will remain in effect unless there is a change in status, such as moving, death, renting the home, or no longer meeting the requirements from question 2 above.

Owners have the responsibility to inform the Real Property Assessment Division within 30 days of any change in status. Failure to report a change in status, or facts will result in disqualification and a \$200 penalty.



COUNTY OF MAUI  
DEPARTMENT OF FINANCE  
REAL PROPERTY ASSESSMENT DIVISION



SELECTED REAL PROPERTY  
STATISTICS FOR BUDGET  
CONSIDERATION

Fiscal Year 2018-2019



SELECTED REAL PROPERTY STATISTICS FOR  
BUDGET CONSIDERATION  
FISCAL YEAR 2018-2019

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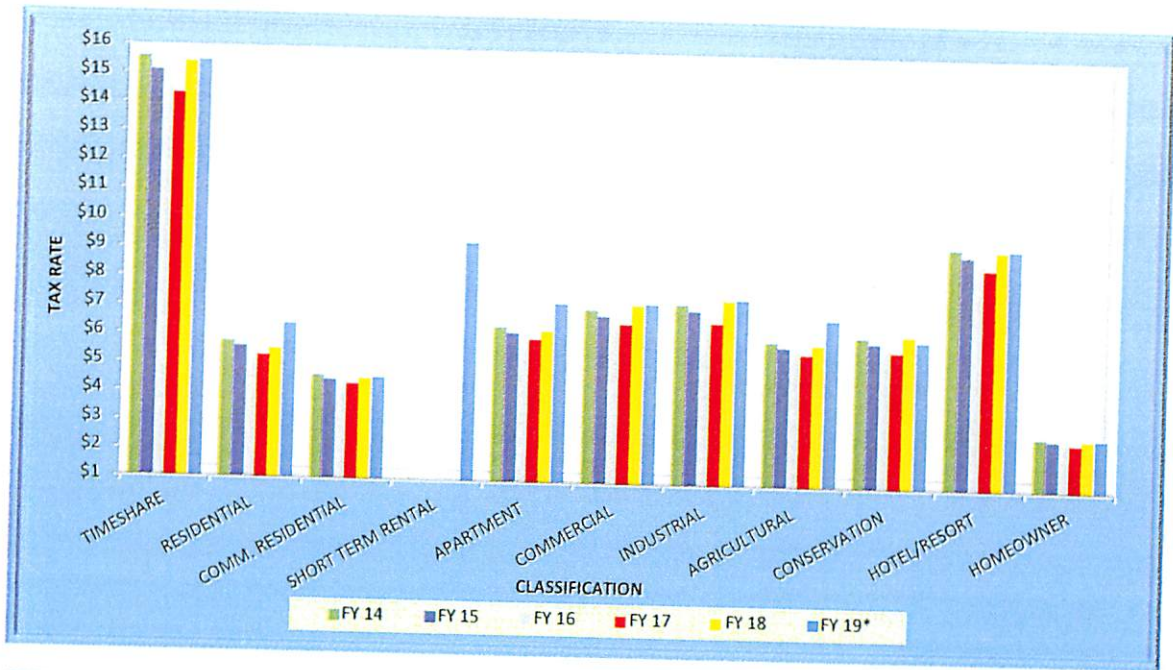


2018 ASSESSMENT YEAR - FISCAL YEAR 2019  
 Maui County Code 3.48.580  
 Estimated Revenues Comparing Tax Rates from Budget and FY 17-18

LAND CLASS	LAND CLASS DESCRIPTION	TIERED VALUES	CERTIFIED VALUE FOR TAX RATE PURPOSES WITH TIERS	CERTIFIED VALUE FOR TAX RATE PURPOSES	MAYOR'S PROPOSED TAX RATE	MAYOR'S BUDGETED REVENUE	FY 17-18 TAX RATES	PROJECTED REVENUE FY 17-18 TAX RATES
0	TIME SHARE		\$2,242,683,630	\$2,242,683,630	\$15.43	\$34,604,608	\$15.43	\$34,604,608
		Less than \$500,000	\$4,137,886,400		\$5.29	\$21,889,419		
1	RESIDENTIAL	\$500,000 to \$1,500,000	\$1,864,230,220		\$5.54	\$10,327,835		
		Greater than \$1,500,000	\$1,719,562,990		\$8.31	\$14,289,568		
		Total		\$7,721,679,610		\$46,506,823	\$5.54	\$42,778,105
10	COMMERCIALIZED RESIDENTIAL		\$197,032,150	\$197,032,150	\$4.56	\$898,467	\$4.56	\$898,467
11	SHORT TERM RENTAL		\$8,565,108,215	\$8,565,108,215	\$9.28	\$79,484,204	\$9.28	\$79,484,204
		Less than \$500,000	\$3,043,291,475		\$5.90	\$17,955,420		
2	APARTMENT	\$500,000 to \$1,500,000	\$1,600,936,900		\$6.32	\$10,117,921		
		Greater than \$1,500,000	\$1,900,213,440		\$9.48	\$18,014,023		
		Total		\$6,544,441,815		\$46,087,364	\$6.32	\$41,360,872
3	COMMERCIAL		\$2,911,448,390	\$2,911,448,390	\$7.28	\$21,195,344	\$7.28	\$21,195,344
4	INDUSTRIAL		\$2,132,863,105	\$2,132,863,105	\$7.49	\$15,975,145	\$7.49	\$15,975,145
		Less than \$500,000	\$2,180,882,235		\$5.45	\$11,885,808		
5	AGRICULTURE	\$500,000 to \$1,500,000	\$1,284,457,970		\$6.01	\$7,719,592		
		Greater than \$1,500,000	\$864,987,920		\$9.02	\$7,802,191		
		Total		\$4,330,328,125		\$27,407,592	\$6.01	\$26,025,272
		Less than \$500,000	\$81,540,550		\$2.50	\$203,851		
6	CONSERVATION	\$500,000 to \$1,500,000	\$69,952,700		\$6.37	\$445,599		
		Greater than \$1,500,000	\$287,334,950		\$9.56	\$2,746,922		
		Total		\$438,828,200		\$3,396,372	\$6.37	\$2,795,336
7	HOTEL AND RESORT		\$2,309,315,360	\$2,309,315,360	\$9.37	\$21,638,285	\$9.37	\$21,638,285
9	HOMEOWNER		\$11,454,863,300	\$11,454,863,300	\$2.86	\$32,760,909	\$2.86	\$32,760,909
<b>SUB-TOTALS</b>			<b>\$48,848,591,900</b>	<b>\$48,848,591,900</b>		<b>\$329,955,113</b>		<b>\$319,516,547</b>
<b>LESS: CIRCUIT BREAKER TAX CREDIT ESTIMATE</b>						<b>-\$421,854</b>		<b>-\$421,854</b>
<b>MINIMUM TAX ADJUSTMENT</b>						<b>\$2,997,019</b>		<b>\$2,997,019</b>
<b>NET TOTAL</b>						<b>\$332,530,278</b>		<b>\$322,091,712</b>



**TAX RATE HISTORY**  
FISCAL YEARS 2014 - 2019



CLASS	CLASSIFICATION	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19*
0	TIMESHARE	\$15.55	\$15.07	\$14.55	\$14.31	\$15.43	\$15.43
1	RESIDENTIAL	\$5.75	\$5.57	\$5.40	\$5.30	\$5.54	\$5.54
10	COMM. RESIDENTIAL	\$4.60	\$4.46	\$4.35	\$4.35	\$4.56	\$4.56
11	SHORT TERM RENTAL	N/A	N/A	N/A	N/A	N/A	N/A
2	APARTMENT	\$6.40	\$6.20	\$6.00	\$6.00	\$6.32	\$9.28
3	COMMERCIAL	\$7.05	\$6.83	\$6.60	\$6.60	\$7.28	\$6.32
4	INDUSTRIAL	\$7.30	\$7.07	\$6.85	\$6.69	\$7.49	\$7.28
5	AGRICULTURAL	\$6.05	\$5.86	\$5.75	\$5.66	\$6.01	\$7.49
6	CONSERVATION	\$6.25	\$6.06	\$5.90	\$5.80	\$6.37	\$6.01
7	HOTEL/RESORT	\$9.40	\$9.11	\$8.85	\$8.71	\$9.37	\$6.37
9	HOMEOWNER	\$2.87	\$2.78	\$2.75	\$2.70	\$2.86	\$9.37

\*FY19 rates are proposed



**TAX RATE COMPARISON BY COUNTY**  
FISCAL YEAR 2018 -2019

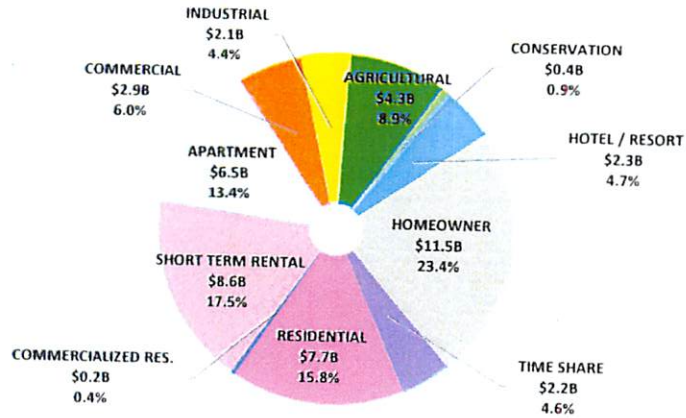
Land Class	Maui FY18	Maui FY19	Honolulu FY18	Honolulu FY19	Hawaii FY18	Hawaii FY19	Kauai FY18	Kauai FY19
Residential	\$5.54	\$5.54	\$3.50	\$3.50	\$11.10	\$11.10	\$6.05	\$6.05
Apartment	\$6.32	\$6.32	N/A	N/A	\$11.70	\$11.70	N/A	N/A
Commercial	\$7.28	\$7.28	\$12.40	\$12.40	\$10.70	\$10.70	\$8.10	\$8.10
Industrial	\$7.49	\$7.49	\$12.40	\$12.40	\$10.70	\$10.70	\$8.10	\$8.10
Agricultural	\$6.01	\$6.01	\$5.70	\$5.70	\$9.35	\$9.35	\$6.75	\$6.75
Conservation	\$6.37	\$6.37	N/A	N/A	\$11.55	\$11.55	\$6.75	\$6.75
Hotel and Resort	\$9.37	\$9.37	\$12.90	\$12.90	\$11.55	\$11.55	\$10.85	\$10.85
Homeowner	\$2.86	\$2.86	N/A	N/A	\$6.15	\$6.15	\$3.05	\$3.05
Timeshare	\$15.43	\$15.43	N/A	N/A	N/A	N/A	N/A	N/A
Commercialized Res.	\$4.56	\$4.56	N/A	N/A	N/A	N/A	\$5.05	\$5.05
Short Term Rental	N/A	\$9.28	N/A	N/A	N/A	N/A	N/A	N/A
Vacation Rental	N/A	N/A	N/A	N/A	N/A	N/A	\$8.85	\$8.85
Vacant Agricultural	N/A	N/A	\$8.50	\$8.50	N/A	N/A	N/A	N/A
Residential "A"					N/A	N/A	N/A	N/A
Tier 1 - 1st 1M value	N/A	N/A	\$4.50	\$4.50	N/A	N/A	N/A	N/A
Tier 2 - In excess of 1M value	N/A	N/A	\$9.00	\$9.00	N/A	N/A	N/A	N/A
Residential Investor	N/A	N/A	N/A	N/A	N/A	N/A	\$7.05	\$7.05
Affordable Housing	N/A	N/A	N/A	N/A	\$6.15	\$6.15	N/A	N/A



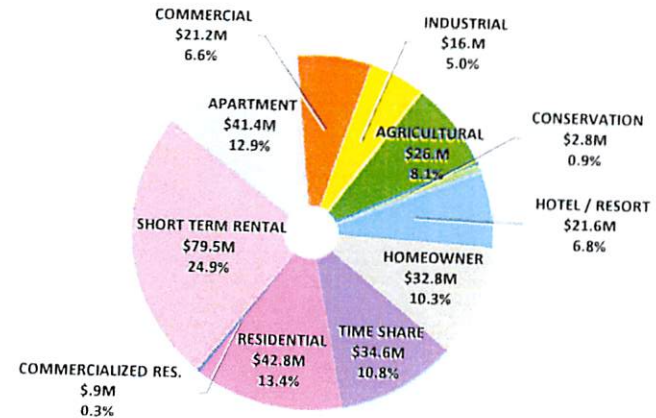
SUMMARY OF TAXABLE PROPERTIES

CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	FY 2019 50% OF APPEALS	FY 2019 CERTIFIED VALUE	FY 2019 ESTIMATED REVENUE	REVENUE DOLLAR CHANGE	REVENUE PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	COUNT CHANGE	COUNT PERCENT CHANGE
TIME SHARE	\$15.43	\$ 1,943,560,650	\$ 29,989,141	\$15.43	\$ 2,271,896,300	29,212,670	\$ 2,242,683,630	\$ 34,604,608	\$ 4,615,468	15.4%	2,485	2,481	-4	-0.2%
RESIDENTIAL	\$5.54	7,153,680,950	39,631,392	\$5.54	7,733,685,400	12,005,790	7,721,679,610	42,778,105	3,146,713	7.9%	10,306	10,760	454	4.4%
COMMERCIALIZED RES.	\$4.56	172,476,200	786,491	\$4.56	198,097,300	1,065,150	197,032,150	898,467	111,975	14.2%	125	141	16	12.8%
SHORT TERM RENTAL	N/A	N/A	N/A	\$9.28	8,586,554,600	21,446,385	8,565,108,215	79,484,204	79,484,204	100.0%	0	11,311	11,311	100.0%
APARTMENT	\$6.32	6,443,531,350	40,723,118	\$6.32	6,565,521,900	21,080,085	6,544,441,815	41,360,872	637,754	1.6%	9,406	9,363	-43	-0.5%
COMMERCIAL	\$7.28	3,233,112,400	23,537,058	\$7.28	2,996,696,000	85,247,610	2,911,448,390	21,195,344	(2,341,714)	-9.9%	2,589	2,279	-310	-12.0%
INDUSTRIAL	\$7.49	2,026,783,950	15,180,612	\$7.49	2,218,135,900	85,272,795	2,132,863,105	15,975,145	794,533	5.2%	790	819	29	3.7%
AGRICULTURAL	\$6.01	3,924,966,700	23,589,050	\$6.01	4,415,784,900	85,456,775	4,330,328,125	26,025,272	2,436,222	10.3%	8,882	9,022	140	1.6%
CONSERVATION	\$6.37	427,198,400	2,721,254	\$6.37	516,260,100	77,431,900	438,828,200	2,795,336	74,082	2.7%	1,154	1,153	-1	-0.1%
HOTEL / RESORT	\$9.37	10,009,936,150	93,793,102	\$9.37	2,339,003,300	29,687,940	2,309,315,360	21,638,285	(72,154,817)	-76.9%	11,596	906	-10,690	-92.2%
HOMEOWNER	\$2.86	10,628,944,800	30,398,782	\$2.86	11,470,043,700	15,180,400	11,454,863,300	32,760,909	2,362,127	7.8%	26,085	25,765	-320	-1.2%
<b>TOTALS</b>		<b>\$ 45,964,191,550</b>	<b>\$ 300,350,000</b>		<b>\$ 49,311,679,400</b>	<b>\$ 463,087,500</b>	<b>\$ 48,848,591,900</b>	<b>\$ 319,516,547</b>	<b>\$ 19,166,547</b>	<b>6.4%</b>	<b>73,418</b>	<b>74,000</b>	<b>\$ 582</b>	<b>0.8%</b>
			\$ (346,825)			Less: Circuit Breaker Credits		\$ (421,854)						
			\$ 3,172,492			Minimum Tax Adjustment @\$400		\$ 2,997,019						
			<b>\$ 303,175,667</b>			<b>ESTIMATED REVENUE</b>		<b>\$ 322,091,712</b>						

FY 2019 CERTIFIED VALUES



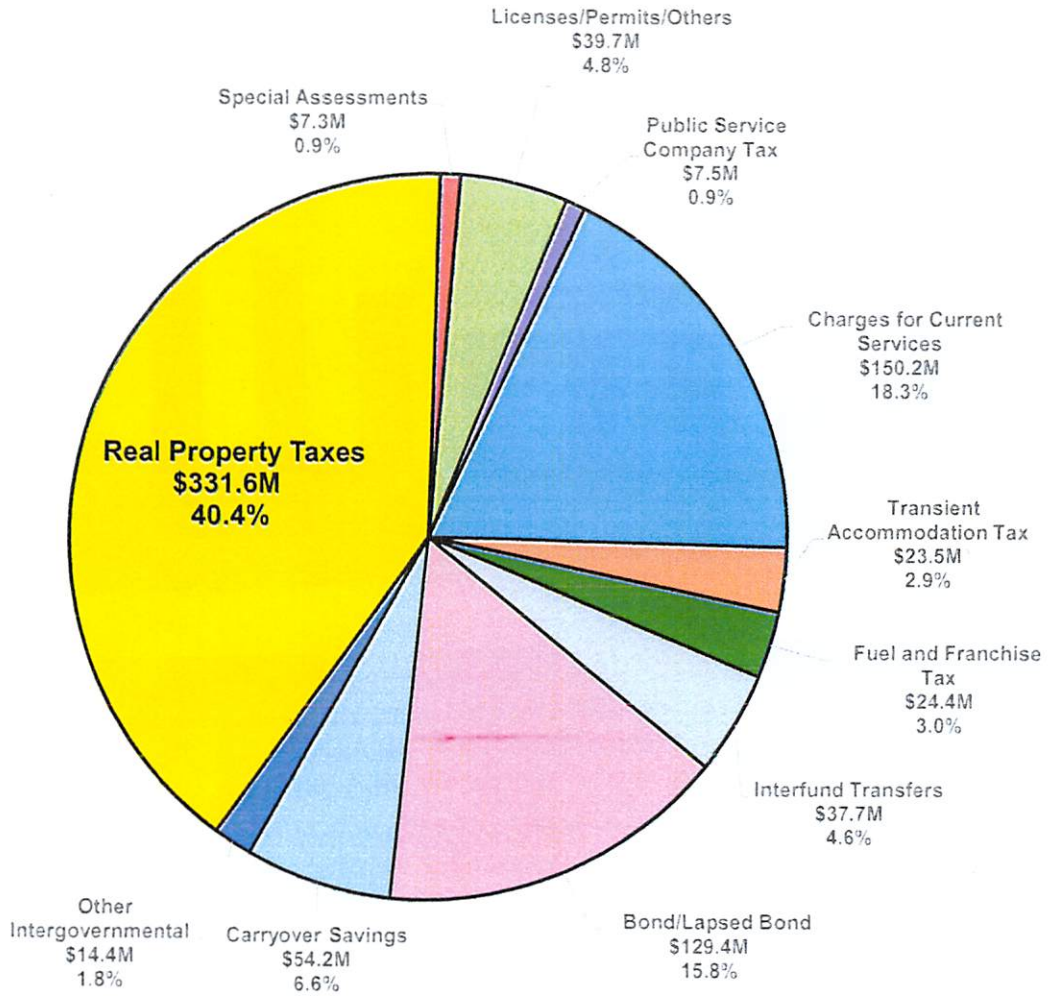
ESTIMATED FY 2019 CERTIFIED REVENUE





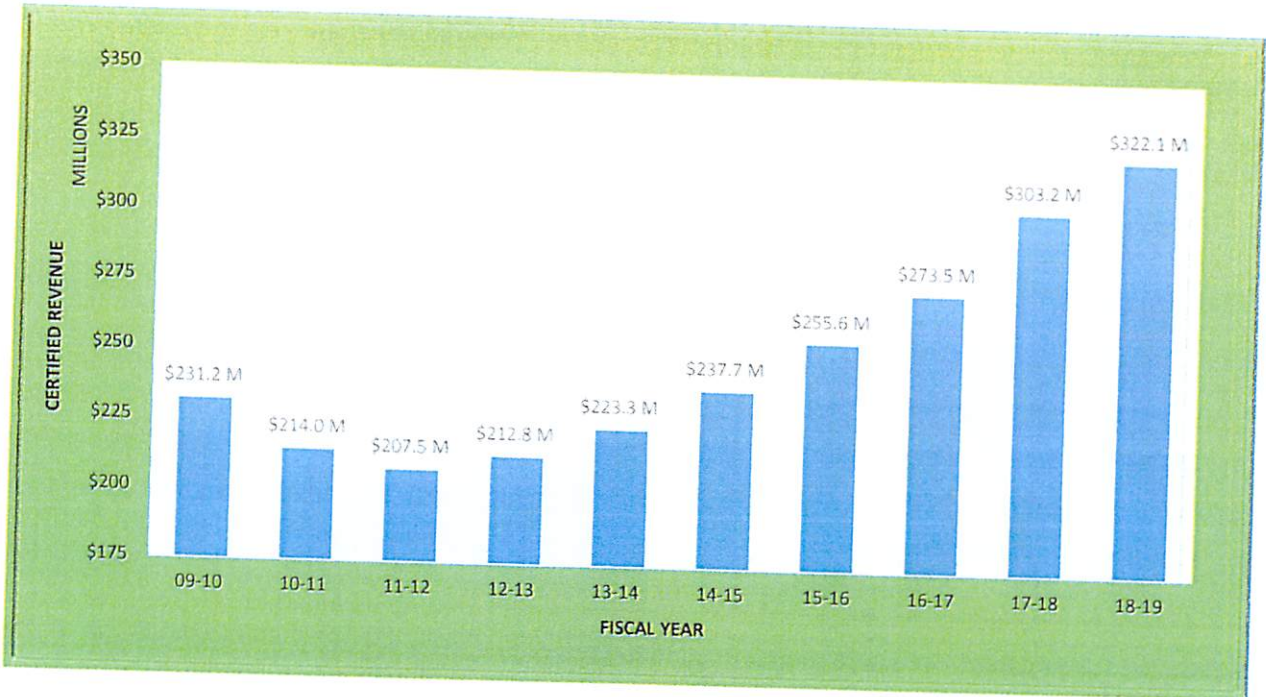


### MAUI COUNTY REVENUE SOURCES MAYOR'S PROPOSED FY 2018-2019 BUDGET





COUNTY OF MAUI REAL PROPERTY ASSESSMENT DIVISION  
**CERTIFIED REVENUE FOR BUDGET HISTORY**  
 (Net taxable revenue less 50% of taxes in dispute)

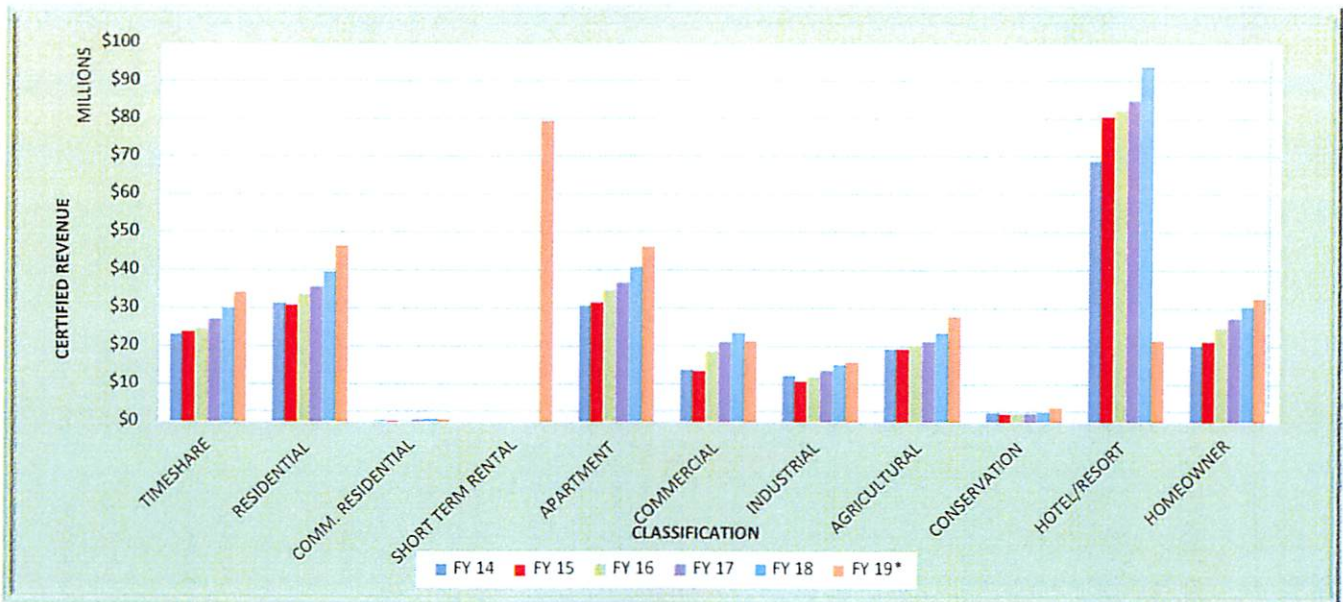


FISCAL YEAR	CERTIFIED REVENUE	PERCENT CHANGE FROM PRIOR YEAR
09-10	\$231,169,830	4.8%
10-11	\$213,992,989	-7.4%
11-12	\$207,539,182	-3.0%
12-13	\$212,816,224	2.5%
13-14	\$223,318,148	4.9%
14-15	\$237,718,190	6.4%
15-16	\$255,584,150	7.5%
16-17	\$273,489,153	7.0%
17-18	\$303,175,667	10.9%
18-19	\$322,091,712	6.2%

All years include adjustments for circuit breaker.  
 FY 13, 14, 15, 16, 17, 18 and 19 include adjustments for minimum tax.  
 FY 18-19 Based upon FY 17-18 rates



CERTIFIED REVENUE BY CLASS HISTORY



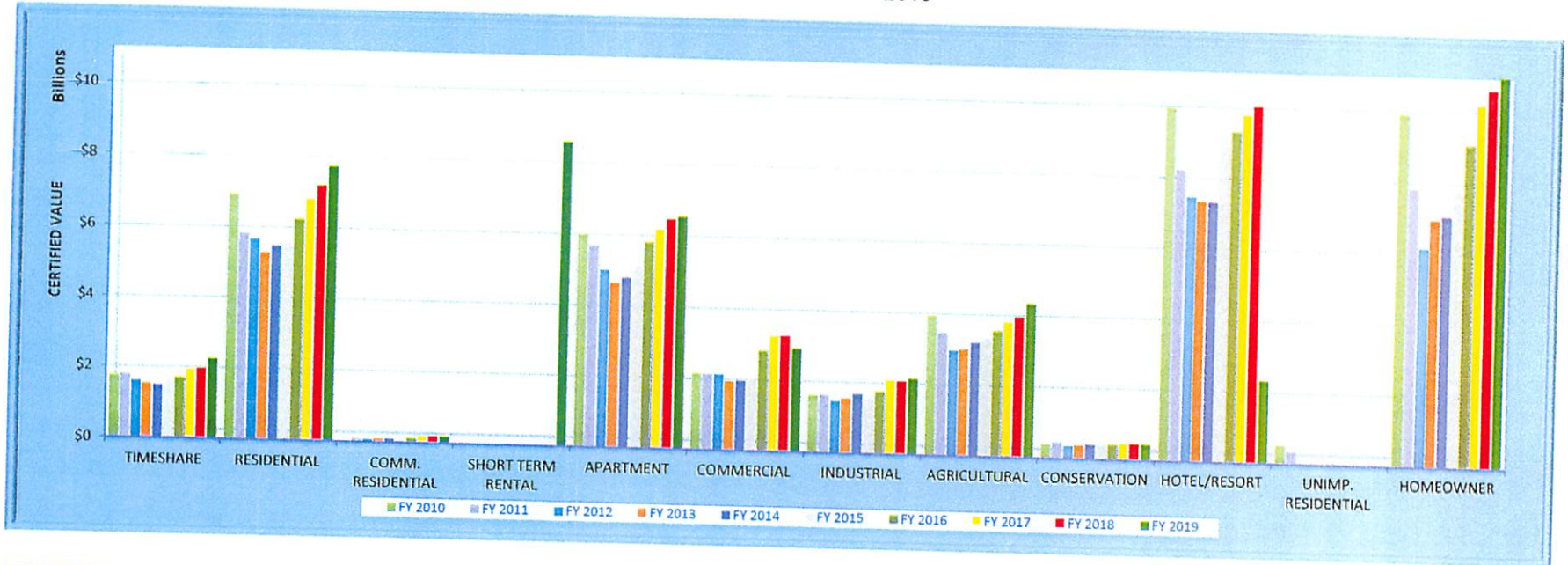
CLASS	CLASSIFICATION	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19*
0	TIMESHARE	\$ 23,067,362	\$ 23,981,695	\$ 24,641,296	\$ 27,141,335	\$ 29,989,141	\$ 34,604,608
1	RESIDENTIAL	31,401,341	31,025,877	33,624,161	35,824,619	39,631,392	42,778,105
10	COMM. RESIDENTIAL	433,243	487,715	522,724	710,970	786,491	898,467
11	SHORT TERM RENTAL	N/A	N/A	N/A	N/A	N/A	79,484,204
2	APARTMENT	30,607,769	31,731,683	34,758,673	36,804,333	40,723,118	41,360,872
3	COMMERCIAL	13,761,990	13,650,812	18,639,936	21,282,057	23,537,058	21,195,344
4	INDUSTRIAL	12,241,970	10,935,438	11,992,799	13,736,070	15,180,612	15,975,145
5	AGRICULTURAL	19,326,957	19,443,863	20,334,716	21,350,180	23,589,050	26,025,272
6	CONSERVATION	2,562,081	2,370,282	2,400,260	2,461,931	2,721,254	2,795,336
7	HOTEL/RESORT	68,654,857	80,761,824	82,270,884	84,880,236	93,793,102	21,638,285
9	HOMEOWNER	20,242,566	21,518,420	24,925,279	27,514,337	30,398,782	32,760,909
<b>TOTALS</b>		<b>\$ 222,300,136</b>	<b>\$ 235,907,609</b>	<b>\$ 254,110,728</b>	<b>\$ 271,706,068</b>	<b>\$ 300,350,000</b>	<b>\$ 319,516,547</b>

All amounts are before Circuit Breaker Tax Credit and Minimum Tax Adjustment.

\*Based on FY 2018 tax rates



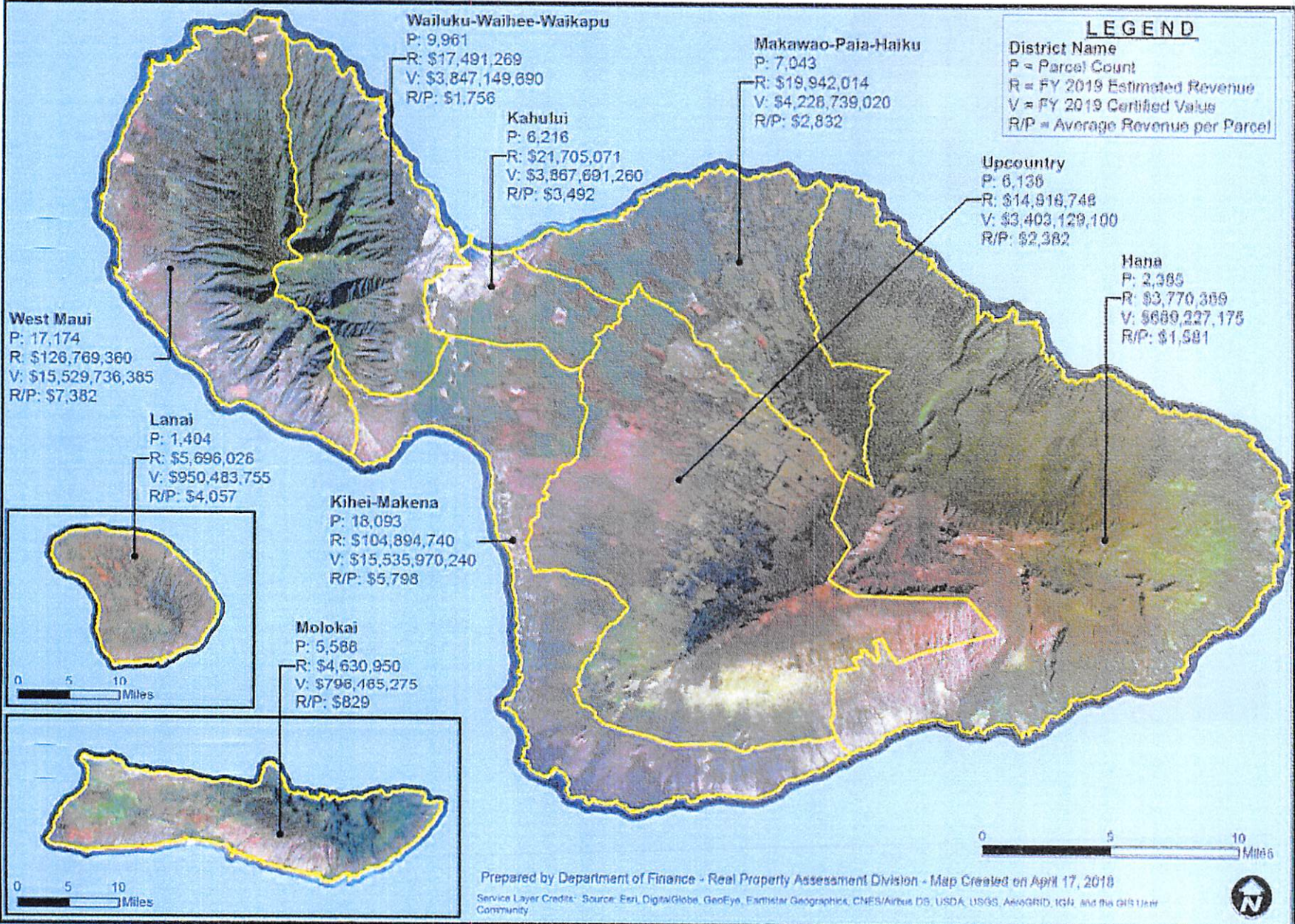
CERTIFIED VALUE BY CLASS HISTORY  
FISCAL YEARS 2010 - 2019



CLASSIFICATION	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
TIMESHARE	\$ 1,743,996,000	\$ 1,776,953,000	\$ 1,607,462,597	\$ 1,508,875,080	\$ 1,483,431,650	\$ 1,591,353,360	\$ 1,693,559,850	\$ 1,896,669,100	\$ 1,943,560,650	\$ 2,242,683,630
RESIDENTIAL	6,906,545,000	5,795,214,000	5,645,593,414	5,241,368,537	5,461,102,750	5,570,175,455	6,226,696,455	6,759,362,000	7,153,680,950	7,721,679,610
COMM. RESIDENTIAL	N/A	73,191,000	70,301,000	75,166,300	94,183,400	109,353,100	120,166,400	163,441,300	172,476,200	197,032,150
SHORT TERM RENTAL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
APARTMENT	5,983,881,000	5,659,454,000	5,016,127,284	4,623,503,775	4,782,463,850	5,118,013,200	5,793,112,180	6,134,055,500	6,443,531,350	6,544,441,815
COMMERCIAL	2,134,768,000	2,121,834,000	2,126,141,530	1,910,261,470	1,952,055,250	1,998,654,825	2,824,232,675	3,224,554,150	3,233,112,400	2,911,448,390
INDUSTRIAL	1,609,950,000	1,614,057,000	1,466,956,917	1,522,372,401	1,676,982,150	1,546,738,100	1,750,773,535	2,053,224,200	2,026,783,950	2,132,863,105
AGRICULTURAL	3,934,472,000	3,452,417,000	2,978,918,118	2,975,466,098	3,194,538,350	3,318,065,425	3,536,472,280	3,772,116,600	3,924,966,700	4,330,328,125
CONSERVATION	385,496,000	445,265,000	362,723,802	359,573,198	409,933,100	391,135,500	406,823,780	424,470,850	427,198,400	438,828,200
HOTEL/RESORT	9,940,281,000	8,183,429,000	7,471,671,706	7,304,444,983	7,303,708,150	8,865,183,790	9,296,145,125	9,745,147,700	10,009,936,150	2,309,315,360
UNIMP. RESIDENTIAL	521,228,000	331,079,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HOMEOWNER	9,907,664,000	7,803,966,000	6,174,696,105	6,952,271,491	7,053,158,750	7,740,438,840	9,063,737,990	10,190,495,300	10,628,944,800	11,454,863,300
<b>TOTALS</b>	<b>\$ 43,068,281,000</b>	<b>\$ 37,256,859,000</b>	<b>\$32,920,592,473</b>	<b>\$ 32,473,303,333</b>	<b>\$ 33,411,557,400</b>	<b>\$ 36,249,111,595</b>	<b>\$ 40,711,720,270</b>	<b>\$ 44,363,536,700</b>	<b>\$ 45,964,191,550</b>	<b>\$ 48,848,591,900</b>



# Revenue By Council District - Fiscal Year 2019 / Assessment Year 2018



### LEGEND

District Name  
 P = Parcel Count  
 R = FY 2019 Estimated Revenue  
 V = FY 2019 Certified Value  
 R/P = Average Revenue per Parcel

Prepared by Department of Finance - Real Property Assessment Division - Map Created on April 17, 2018

Service Layer Credits: Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



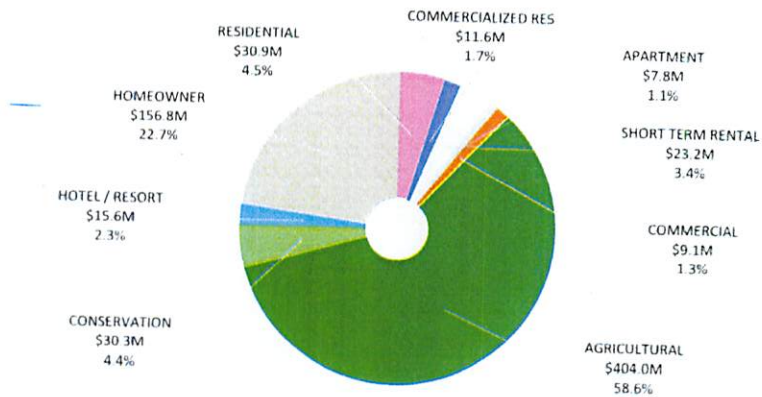


REVENUE BY DISTRICT  
HANA  
FISCAL YEAR 2018 VERSUS 2019

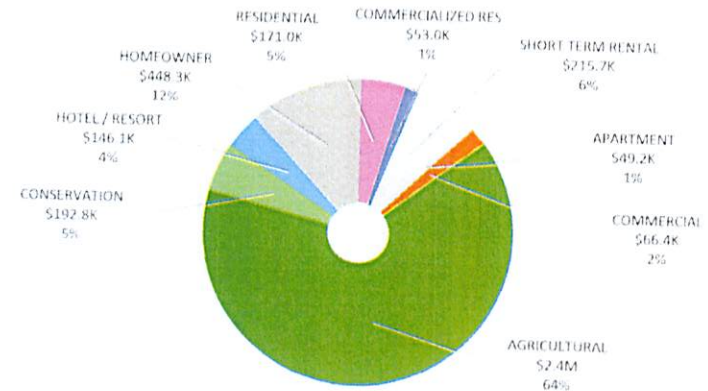
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	50% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUE	FY 2019 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	COUNT CHANGE	PERCENT CHANGE
TIME SHARE	\$ 15.43	0	0	\$ 15.43	0	0	0	0	0.00%	0	0	0	0.00%
RESIDENTIAL	5.54	29,623,700	164,115	5.54	30,859,500	0	30,859,500	170,962	4.17%	78	81	3	3.85%
COMMERCIALIZED RES.	4.56	10,526,900	48,003	4.56	11,619,600	0	11,619,600	52,985	10.38%	13	13	0	0.00%
SHORT TERM RENTAL	N/A	N/A	N/A	9.28	23,302,300	63,500	23,238,800	215,656	100.00%	0	40	40	100.00%
APARTMENT	6.32	6,464,100	40,853	6.32	7,777,800	0	7,777,800	49,156	20.32%	17	17	0	0.00%
COMMERCIAL	7.28	18,157,900	132,190	7.28	9,120,900	0	9,120,900	66,400	-49.77%	31	17	-14	-45.16%
INDUSTRIAL	7.49	0	0	7.49	0	0	0	0	0.00%	0	0	0	0.00%
AGRICULTURAL	6.01	349,077,950	2,097,958	6.01	406,856,800	2,870,150	403,986,650	2,427,960	15.73%	1,456	1,474	18	1.24%
CONSERVATION	6.37	23,295,400	148,392	6.37	30,267,800	0	30,267,800	192,806	29.93%	299	298	-1	-0.33%
HOTEL / RESORT	9.37	22,562,600	211,412	9.37	15,592,300	0	15,592,300	146,100	-30.89%	86	65	-21	-24.42%
HOMEOWNER	2.86	142,372,400	407,185	2.86	158,831,300	2,067,475	156,763,825	448,345	10.11%	400	380	-20	-5.00%
<b>TOTALS</b>		<b>\$ 602,080,950</b>	<b>\$ 3,250,107</b>		<b>\$ 694,228,300</b>	<b>\$ 5,001,125</b>	<b>\$ 689,227,175</b>	<b>\$ 3,770,369</b>	<b>16.01%</b>	<b>2,380</b>	<b>2,385</b>	<b>5</b>	<b>0.21%</b>

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
BY DISTRICT  
HANA



ESTIMATED RPT REVENUE\*  
BY DISTRICT  
HANA



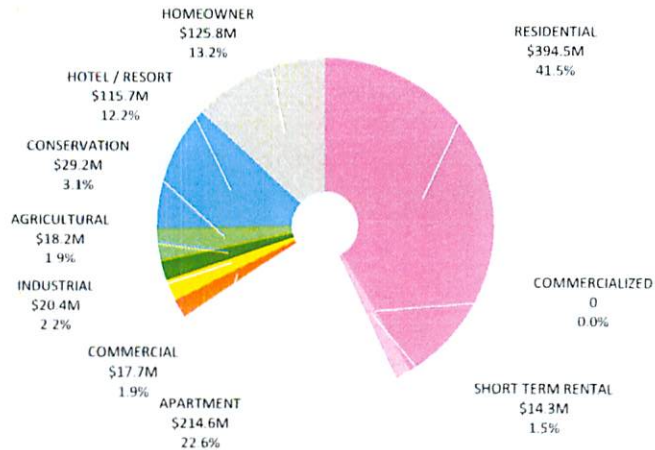


REVENUE BY DISTRICT  
LANAI  
FISCAL YEAR 2018 VERSUS 2019

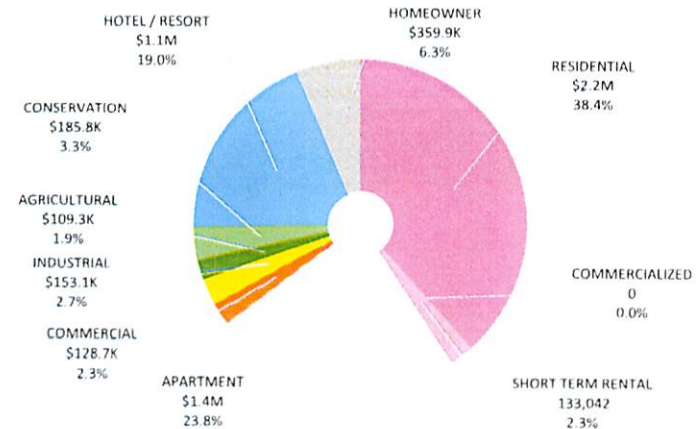
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	50% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUE	FY 2019 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	PERCENT CHANGE
TIME SHARE	\$ 15.43	0	0	\$ 15.43	0	0	0	0	0.00%	0	0	0
RESIDENTIAL	5.54	379,952,100	2,104,935	5.54	394,517,600	-	394,517,600	2,185,628	3.83%	618	633	15
COMMERCIALIZED RES.	4.56	1,124,500	5,128	4.56	-	0	-	-	0.00%	1	0	-1
SHORT TERM RENTAL	N/A	N/A	N/A	9.28	14,336,400	-	14,336,400	133,042	100.00%	0	19	19
APARTMENT	6.32	191,855,700	1,212,528	6.32	217,306,100	2,712,145	214,593,955	1,356,234	11.85%	117	121	4
COMMERCIAL	7.28	19,287,900	140,416	7.28	17,679,400	0	17,679,400	128,706	-8.34%	37	33	-4
INDUSTRIAL	7.49	14,471,900	108,395	7.49	20,439,500	0	20,439,500	153,092	41.24%	5	5	0
AGRICULTURAL	6.01	16,433,800	98,767	6.01	18,182,300	0	18,182,300	109,276	10.64%	82	78	-4
CONSERVATION	6.37	29,010,900	184,799	6.37	29,166,100	0	29,166,100	185,788	0.53%	34	34	0
HOTEL / RESORT	9.37	117,860,900	1,104,357	9.37	115,725,800	0	115,725,800	1,084,351	-1.81%	5	2	-3
HOMEOWNER	2.86	137,882,250	394,343	2.86	126,672,500	829,800	125,842,700	359,910	-8.73%	502	479	-23
<b>TOTALS</b>		<b>\$ 907,879,950</b>	<b>\$ 5,353,667</b>		<b>\$ 954,025,700</b>	<b>\$ 3,541,945</b>	<b>\$ 950,483,755</b>	<b>\$ 5,696,026</b>	<b>6.39%</b>	<b>1,401</b>	<b>1,404</b>	<b>3</b>

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
BY DISTRICT  
LANAI



ESTIMATED RPT REVENUE\*  
BY DISTRICT  
LANAI



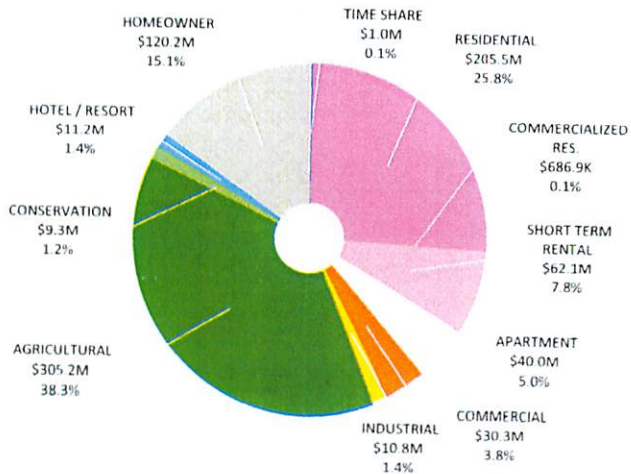


REVENUE BY DISTRICT  
MOLOKAI  
FISCAL YEAR 2018 VERSUS 2019

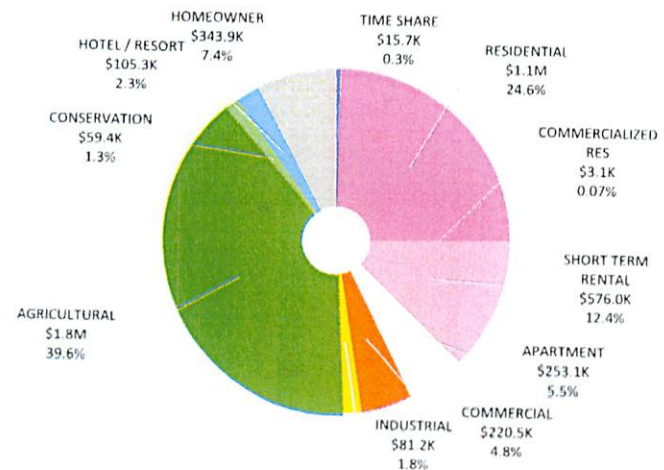
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	50% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUE	FY 2019 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	PERCENT CHANGE
TIME SHARE	\$ 15.43	\$ 1,015,200	\$ 15,665	\$ 15.43	\$ 1,015,200	0	\$ 1,015,200	\$ 15,665	0.00%	7	7	0
RESIDENTIAL	5.54	204,713,650	1,134,114	5.54	205,487,300	0	205,487,300	1,138,400	0.38%	1,357	1,396	39
COMMERCIALIZED RES.	4.56	248,200	1,132	4.56	686,900	0	686,900	3,132	176.75%	1	2	1
SHORT TERM RENTAL	N/A	N/A	N/A	9.28	62,065,000	0	62,065,000	575,963	100.00%	0	388	388
APARTMENT	6.32	41,971,500	265,260	6.32	40,046,700	0	40,046,700	253,095	-4.59%	257	245	-12
COMMERCIAL	7.28	40,850,700	297,393	7.28	30,325,100	42,750	30,282,350	220,456	-25.87%	146	129	-17
INDUSTRIAL	7.49	11,374,200	85,193	7.49	10,836,500	0	10,836,500	81,165	-4.73%	40	40	0
AGRICULTURAL	6.01	296,918,650	1,784,481	6.01	306,901,600	1,667,775	305,233,825	1,834,455	2.80%	1,866	1,877	11
CONSERVATION	6.37	9,507,350	60,562	6.37	9,402,100	71,450	9,330,650	59,436	-1.86%	387	387	0
HOTEL / RESORT	9.37	57,614,600	539,849	9.37	11,236,200	0	11,236,200	105,283	-80.50%	377	12	-365
HOMEOWNER	2.86	120,219,250	343,827	2.86	120,458,900	214,250	120,244,650	343,900	0.02%	1,153	1,105	-48
TOTALS		\$ 784,433,300	\$ 4,527,474		\$ 798,461,500	\$ 1,996,225	\$ 796,465,275	\$ 4,630,950	2.29%	5,591	5,588	-3

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
BY DISTRICT  
MOLOKAI



ESTIMATED RPT REVENUES\*  
BY DISTRICT  
MOLOKAI





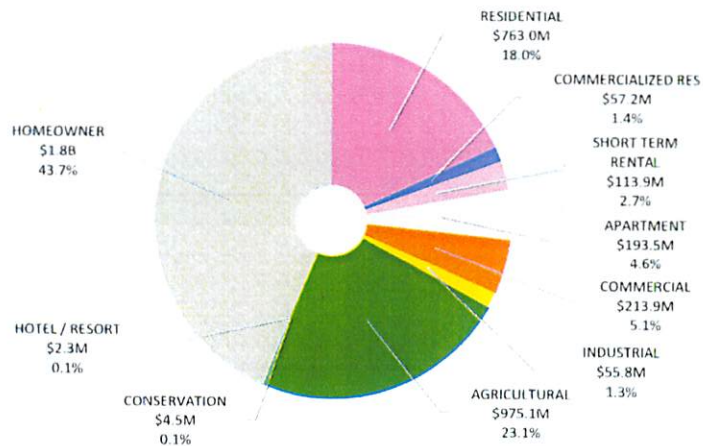


REVENUE BY DISTRICT  
 MAKAWAO - PAIA - HAIKU  
 FISCAL YEAR 2018 VERSUS 2019

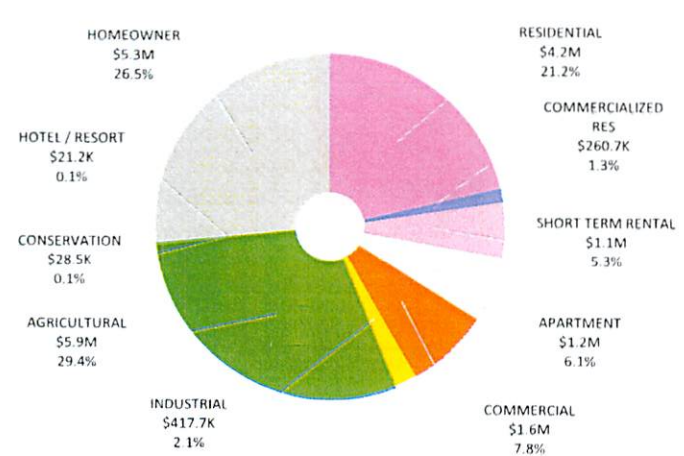
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	80% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUES	FY 2019 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	COUNT CHANGE	PERCENT CHANGE
TIME SHARE	\$ 15.43	0	0	\$ 15.43	0	0	0	0	0.00%	0	0	0	0.00%
RESIDENTIAL	5.54	756,498,950	4,191,004	5.54	764,913,900	1,920,600	762,993,300	4,226,983	0.86%	1,002	1,032	30	2.99%
COMMERCIALIZED RES.	4.56	48,359,400	220,519	4.56	57,164,700	0	57,164,700	260,671	18.21%	46	53	7	15.22%
SHORT TERM RENTAL	N/A	N/A	N/A	9.28	113,864,800	-	113,864,800	1,056,665	100.00%	0	88	88	100.00%
APARTMENT	6.32	183,107,400	1,157,239	6.32	193,451,300	0	193,451,300	1,222,612	5.65%	221	267	46	20.81%
COMMERCIAL	7.28	280,559,050	2,042,470	7.28	213,859,000	0	213,859,000	1,556,894	-23.77%	337	290	-47	-13.95%
INDUSTRIAL	7.49	45,321,250	339,456	7.49	65,275,100	9,510,650	55,764,450	417,676	23.04%	13	14	1	7.69%
AGRICULTURAL	6.01	863,887,200	5,191,962	6.01	999,376,000	24,266,715	975,109,285	5,860,407	12.87%	1,759	1,815	56	3.18%
CONSERVATION	6.37	4,656,600	29,663	6.37	4,474,000	0	4,474,000	28,499	-3.92%	43	43	0	0.00%
HOTEL / RESORT	9.37	45,969,300	430,732	9.37	2,261,200	0	2,261,200	21,187	-95.08%	35	1	-34	-97.14%
HOMEOWNER	2.86	1,721,565,500	4,923,677	2.86	1,850,874,500	1,077,515	1,849,796,985	5,290,419	7.45%	3,473	3,440	-33	-0.95%
<b>TOTALS</b>		<b>\$ 3,949,924,650</b>	<b>\$ 18,526,722</b>		<b>\$ 4,265,514,500</b>	<b>\$ 36,775,480</b>	<b>\$ 4,228,739,020</b>	<b>\$ 19,942,014</b>	<b>7.64%</b>	<b>6,929</b>	<b>7,043</b>	<b>114</b>	<b>1.65%</b>

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
 BY DISTRICT  
 MAKAWAO/PAIA/HAIKU



ESTIMATED RPT REVENUES\*  
 BY DISTRICT  
 MAKAWAO/PAIA/HAIKU



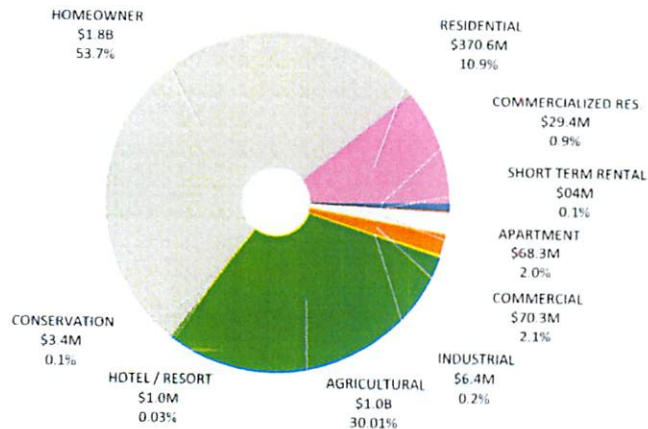


REVENUE BY DISTRICT  
UPCOUNTRY  
FISCAL YEAR 2018 VERSUS 2019

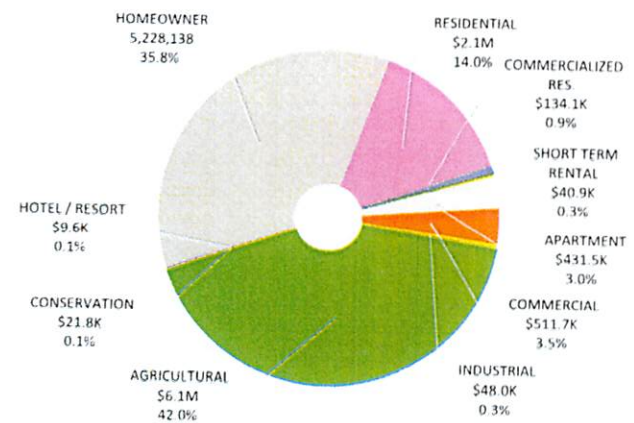
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	50% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUES	FY 2018 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	COUNT CHANGE	PERCENT CHANGE
TIME SHARE	\$ 15.43	0	0	\$ 15.43	0	0	0	0	0.00%	0	0	0	0.00%
RESIDENTIAL	5.54	340,588,900	1,886,863	5.54	371,021,700	404,930	370,616,770	2,053,217	8.82%	669	684	15	2.24%
COMMERCIALIZED RES.	4.56	25,157,600	114,719	4.56	29,398,200	0	29,398,200	134,056	16.86%	11	14	3	27.27%
SHORT TERM RENTAL	N/A	N/A	N/A	9.28	4,409,200	0	4,409,200	40,917	100.00%	0	5	5	100.00%
APARTMENT	6.32	57,948,900	366,237	6.32	68,357,100	88,945	68,268,155	431,455	17.81%	122	141	19	15.57%
COMMERCIAL	7.28	71,344,700	519,389	7.28	70,286,700	0	70,286,700	511,687	-1.48%	55	55	0	0.00%
INDUSTRIAL	7.49	8,015,700	60,038	7.49	6,412,600	0	6,412,600	48,030	0.00%	1	1	0	0.00%
AGRICULTURAL	6.01	893,038,300	5,367,160	6.01	1,063,613,100	42,345,810	1,021,267,290	6,137,816	14.36%	1,761	1,801	40	2.27%
CONSERVATION	6.37	3,411,100	21,729	6.37	3,421,300	0	3,421,300	21,794	0.30%	28	28	0	0.00%
HOTEL / RESORT	9.37	1,444,500	13,535	9.37	1,028,600	0	1,028,600	9,638	-28.79%	2	1	-1	-50.00%
HOMEOWNER	2.86	1,662,056,600	4,753,482	2.86	1,829,167,900	1,147,615	1,828,020,285	5,228,138	9.99%	3,419	3,406	-13	-0.38%
<b>TOTALS</b>		<b>\$ 3,063,006,300</b>	<b>\$ 13,103,151</b>		<b>\$ 3,447,116,400</b>	<b>\$ 43,987,300</b>	<b>\$ 3,403,129,100</b>	<b>\$ 14,616,748</b>	<b>11.55%</b>	<b>6,068</b>	<b>6,136</b>	<b>68</b>	<b>1.12%</b>

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
BY DISTRICT  
UPCOUNTRY



ESTIMATED RPT REVENUES\*  
BY DISTRICT  
UPCOUNTRY



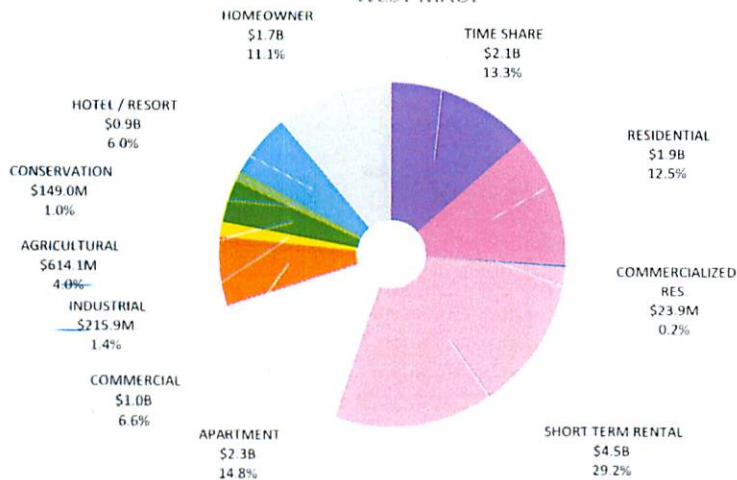


REVENUE BY DISTRICT  
WEST MAUI  
FISCAL YEAR 2018 VERSUS 2019

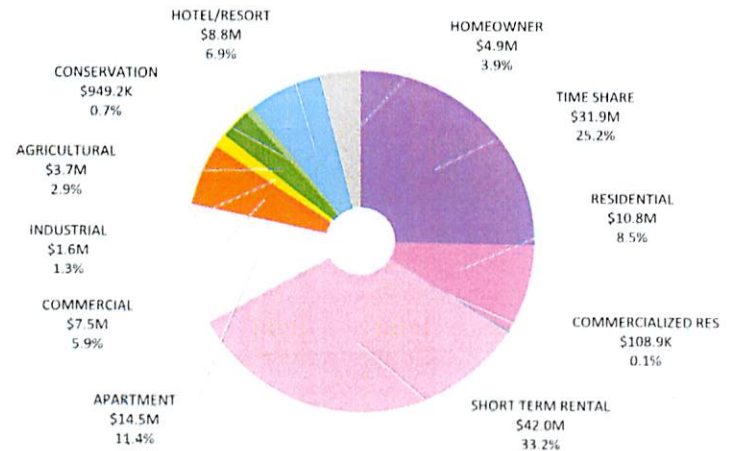
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE ESTIMATED VALUE	50% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUE	FY 2019 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	PERCENT CHANGE
TIME SHARE	\$ 15.43	\$ 1,774,881,950	\$ 27,386,428	\$ 15.43	\$ 2,096,564,400	\$ 29,212,670	\$ 2,067,351,730	\$ 31,899,237	16.48%	2,164	2,159	-5 -0.23%
RESIDENTIAL	5.54	1,740,500,600	9,642,373	5.54	1,949,845,300	1,611,230	1,948,234,070	10,793,217	11.94%	1,597	1,682	85 5.32%
COMMERCIALIZED RES.	4.56	23,798,500	108,521	4.56	24,938,800	1,065,150	23,873,650	108,864	0.32%	10	10	0 0.00%
SHORT TERM RENTAL	N/A	N/A	N/A	9.28	4,546,974,500	17,678,515	4,529,295,985	42,031,867	100.00%	0	5,606	5,606 100.00%
APARTMENT	6.32	2,176,423,700	13,754,998	6.32	2,308,997,000	14,475,335	2,294,521,665	14,501,377	5.43%	3,080	3,176	96 3.12%
COMMERCIAL	7.28	1,157,425,550	8,426,058	7.28	1,053,111,200	26,895,550	1,026,215,650	7,470,850	-11.34%	592	532	-60 -10.14%
INDUSTRIAL	7.49	229,565,700	1,719,447	7.49	224,262,400	8,334,250	215,928,150	1,617,302	-5.94%	60	60	0 0.00%
AGRICULTURAL	6.01	595,984,700	3,581,868	6.01	619,843,900	5,697,500	614,146,400	3,691,020	3.05%	686	682	-4 -0.58%
CONSERVATION	6.37	148,718,050	947,334	6.37	189,415,500	40,404,050	149,011,450	949,203	0.20%	169	169	0 0.00%
HOTEL / RESORT	9.37	5,048,558,050	47,304,989	9.37	958,719,500	22,388,740	936,330,760	8,773,419	-81.45%	5,507	108	-5,399 -98.04%
HOMEOWNER	2.86	1,621,024,000	4,636,129	2.86	1,728,071,000	3,244,125	1,724,826,875	4,933,005	6.40%	3,054	2,990	-64 -2.10%
<b>TOTALS</b>		<b>\$ 14,516,880,800</b>	<b>\$ 117,508,145</b>		<b>\$ 15,700,743,500</b>	<b>\$ 171,007,115</b>	<b>\$ 15,529,736,385</b>	<b>\$ 126,769,360</b>	<b>7.88%</b>	<b>16,919</b>	<b>17,174</b>	<b>255 1.51%</b>

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
BY DISTRICT  
WEST MAUI



ESTIMATED RPT REVENUES\*  
BY DISTRICT  
WEST MAUI



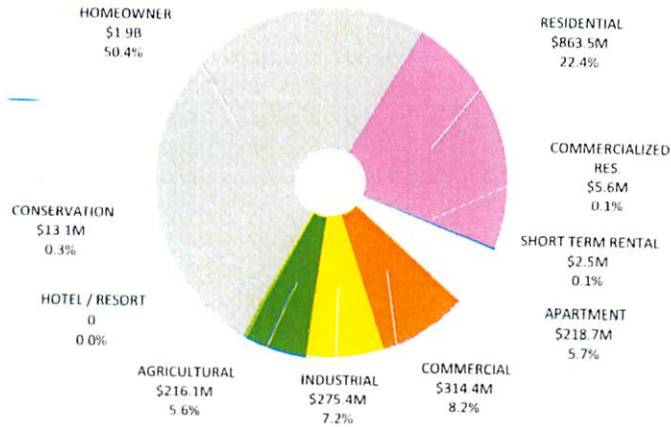


REVENUE BY DISTRICT  
WAILUKU-WAIHEE-WAIKAPU  
FISCAL YEAR 2018 VERSUS 2019

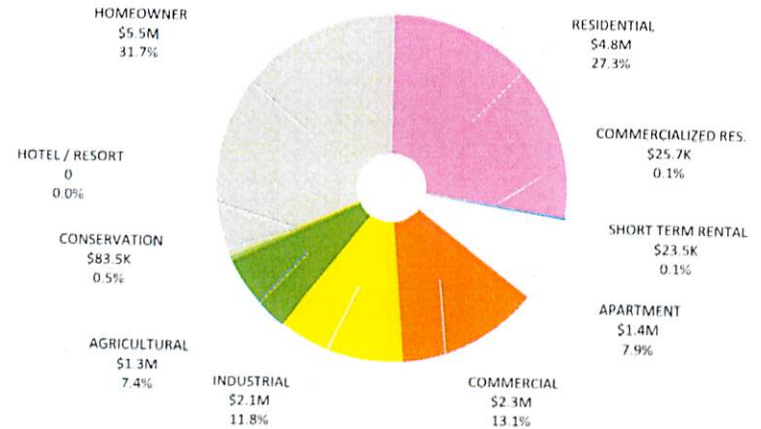
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	50% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUE	FY 2019 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	PERCENT CHANGE
TIME SHARE	\$ 15.43	0	0	\$ 15.43	0	0	0	0	0.00%	0	0	0
RESIDENTIAL	5.54	755,994,500	4,188,210	5.54	864,370,900	878,900	863,492,000	4,783,746	14.22%	1,861	2,009	148
COMMERCIALIZED RES.	4.56	4,099,400	18,693	4.56	5,636,200	0	5,636,200	25,701	37.49%	4	5	1
SHORT TERM RENTAL	N/A	N/A	N/A	9.28	2,533,500	-	2,533,500	23,511	100.00%	0	5	5
APARTMENT	6.32	194,622,600	1,230,015	6.32	218,826,300	133,000	218,693,300	1,382,142	12.37%	585	576	-9
COMMERCIAL	7.28	311,578,350	2,268,290	7.28	316,559,200	2,124,910	314,434,290	2,289,082	0.92%	486	497	11
INDUSTRIAL	7.49	265,021,200	1,985,009	7.49	275,397,300	-	275,397,300	2,062,726	3.92%	265	268	3
AGRICULTURAL	6.01	185,281,600	1,113,542	6.01	222,205,600	6,064,350	216,141,250	1,299,009	16.66%	704	715	11
CONSERVATION	6.37	12,358,350	78,723	6.37	13,106,300	0	13,106,300	83,487	6.05%	99	99	0
HOTEL / RESORT	9.37	1,851,300	17,347	9.37	-	0	-	-	-100.00%	4	0	-4
HOMEOWNER	2.86	1,729,221,600	4,945,574	2.86	1,938,424,300	708,750	1,937,715,550	5,541,866	12.06%	5,796	5,787	-9
<b>TOTALS</b>		<b>\$ 3,460,028,900</b>	<b>\$ 15,845,402</b>		<b>\$ 3,857,059,600</b>	<b>\$ 9,909,910</b>	<b>\$ 3,847,149,690</b>	<b>\$ 17,491,269</b>	<b>10.39%</b>	<b>9,804</b>	<b>9,961</b>	<b>157</b>

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
BY DISTRICT  
WAILUKU/WAIHEE/WAIKAPU



ESTIMATED RPT REVENUES\*  
BY DISTRICT  
WAILUKU/WAIHEE/WAIKAPU



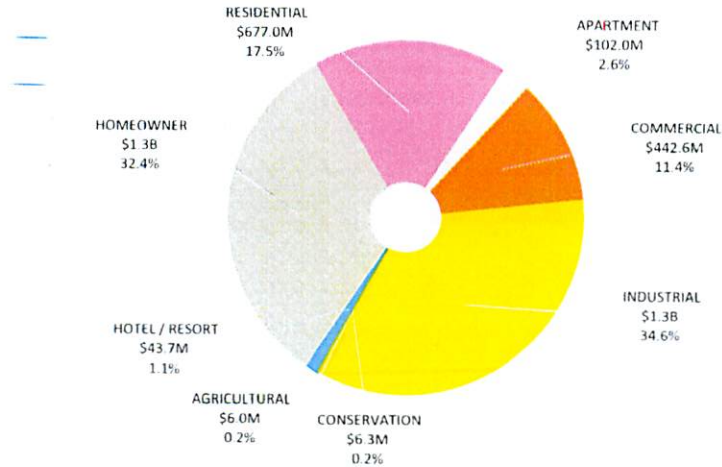


REVENUE BY DISTRICT  
KAHULUI  
FISCAL YEAR 2018 VERSUS 2019

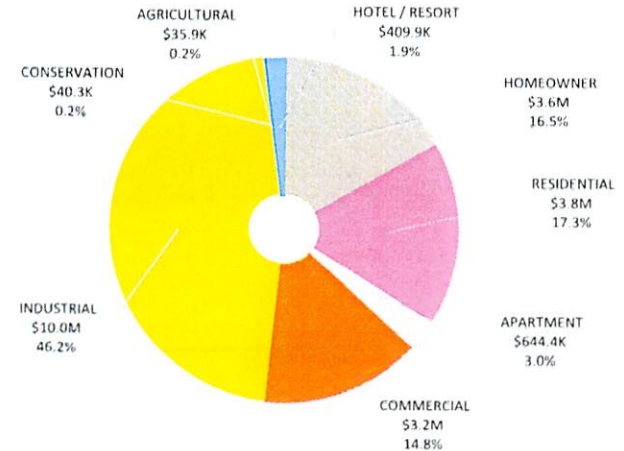
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2018 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	50% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUE	FY 2019 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	PERCENT CHANGE
TIME SHARE	\$ 15.43	0	0	\$ 15.43	0	0	0	0	0.00%	0	0	0.00%
RESIDENTIAL	5.54	586,604,900	3,249,791	5.54	679,630,700	2,620,250	677,010,450	3,750,638	15.41%	1,237	1,290	53
COMMERCIALIZED RES.	4.56	0	0	4.56	0	0	0	0	0.00%	0	0	0
SHORT TERM RENTAL	N/A	N/A	N/A	5.28	-	0	0	0	0.00%	0	0	0
APARTMENT	6.32	101,928,200	644,186	6.32	101,964,800	-	101,964,800	644,418	0.04%	586	597	11
COMMERCIAL	7.28	433,263,200	3,154,156	7.28	445,167,100	2,522,850	442,644,250	3,222,450	2.17%	458	333	-125
INDUSTRIAL	7.49	1,288,962,500	9,654,329	7.49	1,378,557,200	40,752,170	1,337,805,030	10,020,160	3.79%	364	361	-3
AGRICULTURAL	6.01	3,988,200	23,969	6.01	6,775,000	801,570	5,973,430	35,900	49.78%	17	21	4
CONSERVATION	6.37	6,310,800	40,200	6.37	6,319,700	0	6,319,700	40,256	0.14%	13	13	0
HOTEL / RESORT	9.37	37,442,900	350,840	9.37	43,742,600	0	43,742,600	409,868	16.82%	3	4	1
HOMEOWNER	2.86	1,158,453,500	3,313,177	2.86	1,252,231,000	0	1,252,231,000	3,581,381	8.10%	3,660	3,597	-63
<b>TOTALS</b>		<b>\$ 3,616,954,200</b>	<b>\$ 20,430,648</b>		<b>\$ 3,914,388,100</b>	<b>\$ 46,696,840</b>	<b>\$ 3,867,691,260</b>	<b>\$ 21,705,071</b>	<b>6.24%</b>	<b>6,338</b>	<b>6,216</b>	<b>-122</b>

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
BY DISTRICT  
KAHULUI



ESTIMATED RPT REVENUES\*  
BY DISTRICT  
KAHULUI



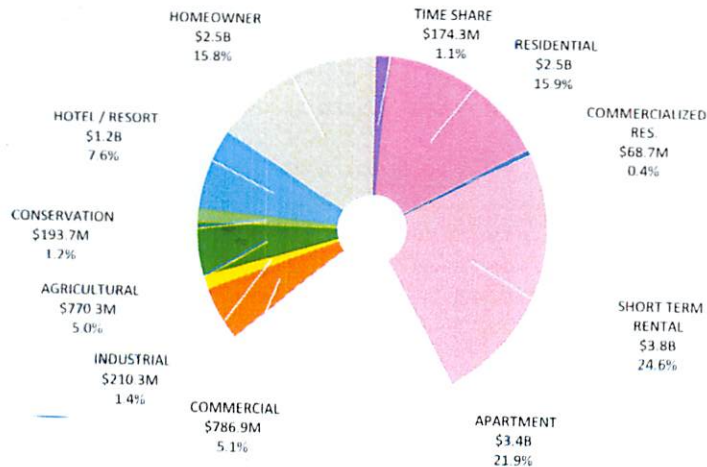


REVENUE BY DISTRICT  
KIHEI - MAKENA  
FISCAL YEAR 2018 VERSUS 2019

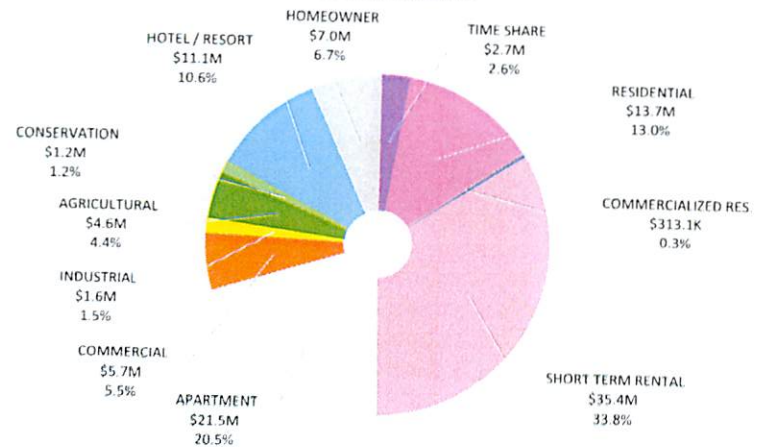
CLASSIFICATION	FY 2018 TAX RATES	FY 2018 CERTIFIED VALUE	FY 2018 CERTIFIED REVENUE	FY 2019 PROPOSED RATES	FY 2019 NET TAXABLE VALUE	50% OF APPEALS TO DATE	FY 2019 CERTIFIED VALUE	FY 2019 ESTIMATED REVENUE*	PERCENT CHANGE	FY 2018 CLASS COUNT	FY 2019 CLASS COUNT	PERCENT CHANGE
TIME SHARE	\$ 15.43	\$ 167,663,500	\$ 2,587,048	\$ 15.43	\$ 174,316,700	-	\$ 174,316,700	\$ 2,689,707	3.97%	314	315	1
RESIDENTIAL	5.54	2,359,203,650	13,069,988	5.54	2,473,038,500	4,569,880	2,468,468,620	13,675,316	4.63%	1,887	1,953	66
COMMERCIALIZED RES.	4.56	59,161,700	269,777	4.56	68,652,900	-	68,652,900	313,057	16.04%	39	44	5
SHORT TERM RENTAL	N/A	N/A	N/A	9.28	3,819,068,900	3,704,370	3,815,364,530	35,406,583	100.00%	0	5,160	5,160
APARTMENT	6.32	3,489,209,250	22,051,802	6.32	3,408,794,800	3,670,660	3,405,124,140	21,520,385	-2.41%	4,421	4,223	-198
COMMERCIAL	7.28	900,645,050	6,556,696	7.28	840,587,400	53,661,550	786,925,850	5,728,820	-12.63%	447	393	-54
INDUSTRIAL	7.49	164,051,500	1,228,746	7.49	236,955,300	26,675,725	210,279,575	1,574,994	28.18%	42	70	28
AGRICULTURAL	6.01	720,356,300	4,329,341	6.01	772,030,600	1,742,905	770,287,695	4,629,429	6.93%	551	559	8
CONSERVATION	6.37	189,929,850	1,209,853	6.37	230,687,300	36,956,400	193,730,900	1,234,066	2.00%	82	82	0
HOTEL / RESORT	9.37	4,676,632,000	43,820,042	9.37	1,190,697,100	7,299,200	1,183,397,900	11,088,438	-74.70%	5,577	713	-4,864
HOMEOWNER	2.86	2,336,149,700	6,681,388	2.86	2,465,312,300	5,890,870	2,459,421,430	7,033,945	5.28%	4,628	4,581	-47
TOTALS		\$ 15,063,002,500	\$ 101,804,682		\$ 15,680,141,800	\$ 144,171,560	\$ 15,535,970,240	\$ 104,894,740	3.04%	17,988	18,093	105

\*The estimated revenue does not include the Minimum tax or Circuit Breaker credits.

CERTIFIED VALUES  
BY DISTRICT  
KIHEI/MAKENA

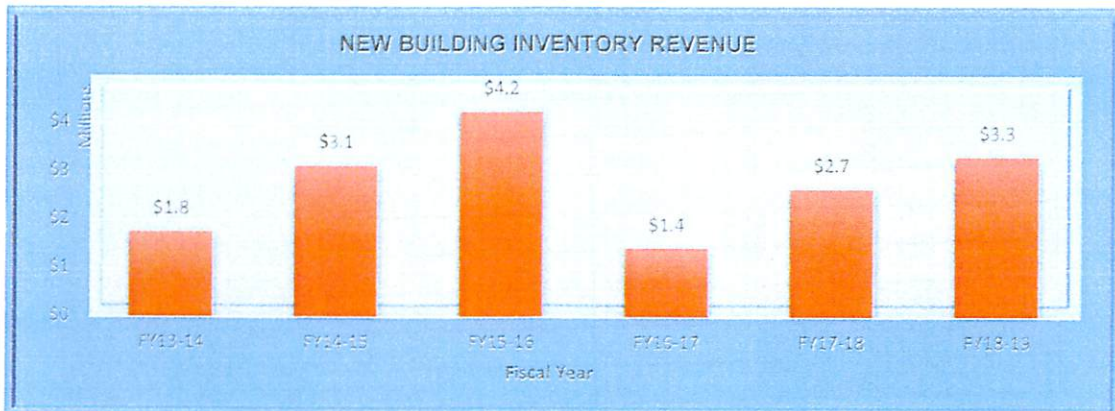
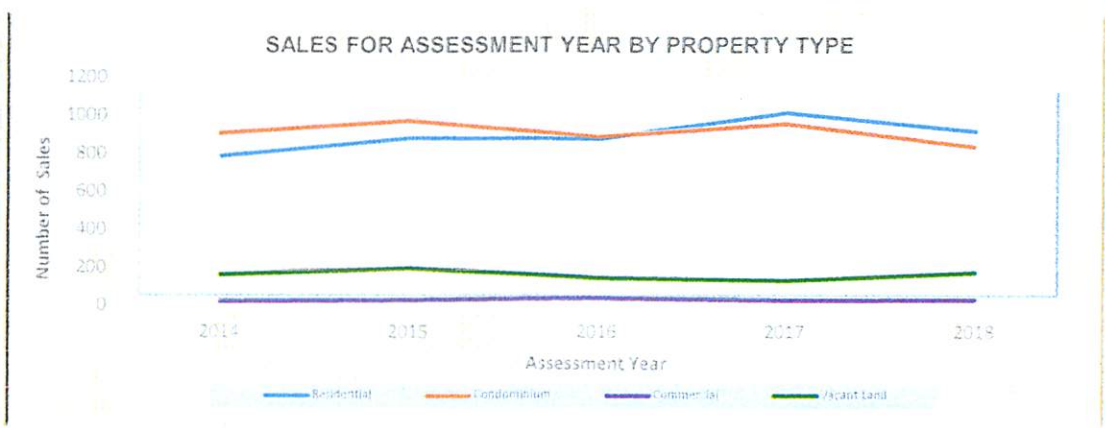
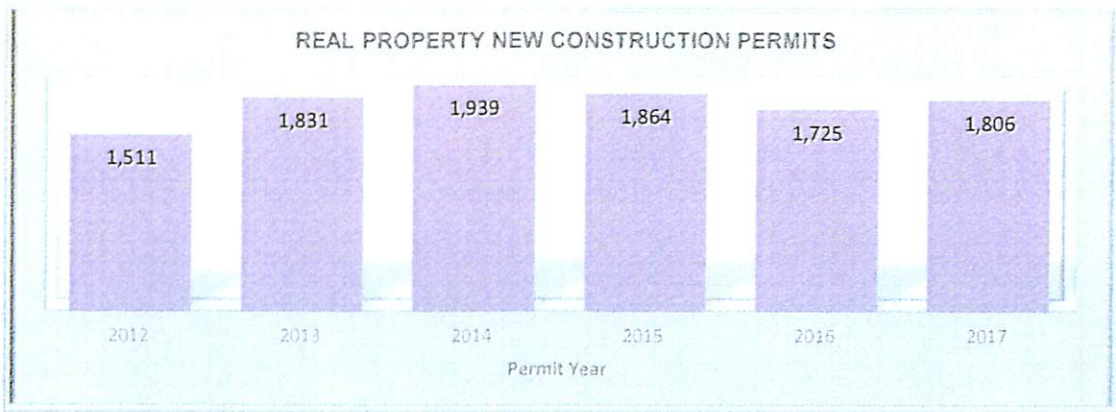


ESTIMATED RPT REVENUE\*  
BY DISTRICT  
KIHEI/MAKENA



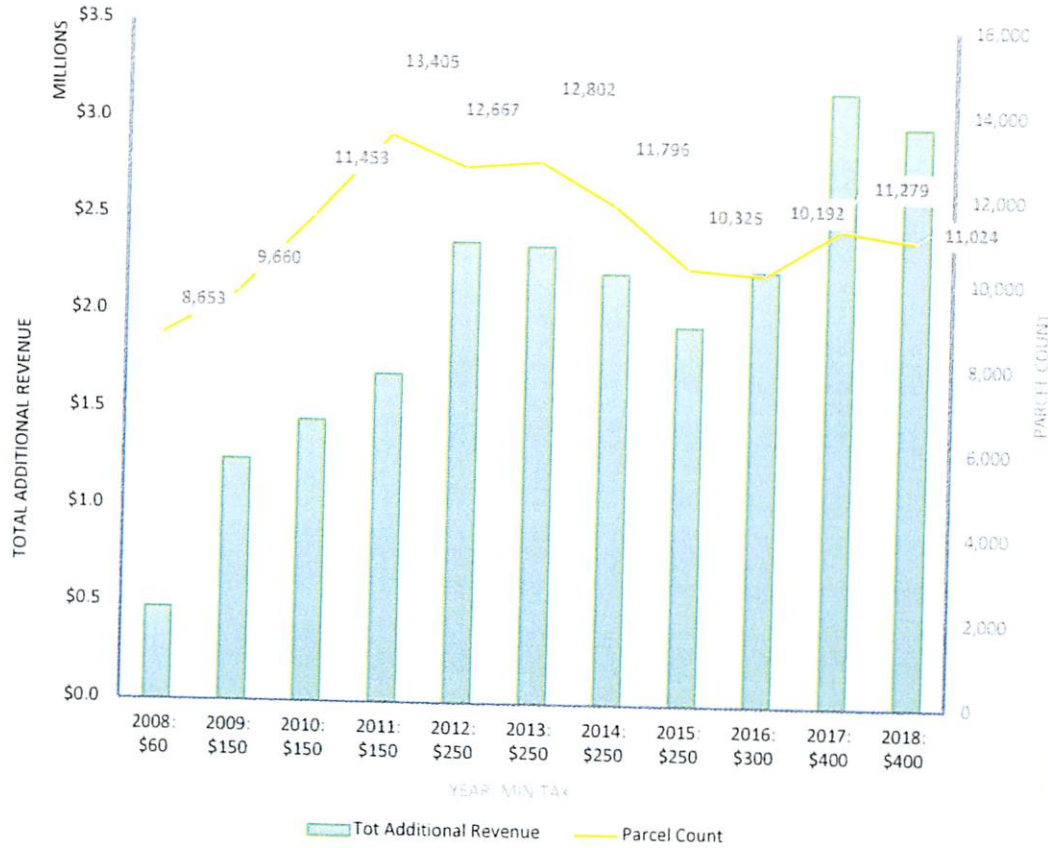


### REAL PROPERTY ASSESSMENT ECONOMIC INDICATORS FISCAL YEARS 2012 - 2019





Minimum Tax History-Additional Revenue



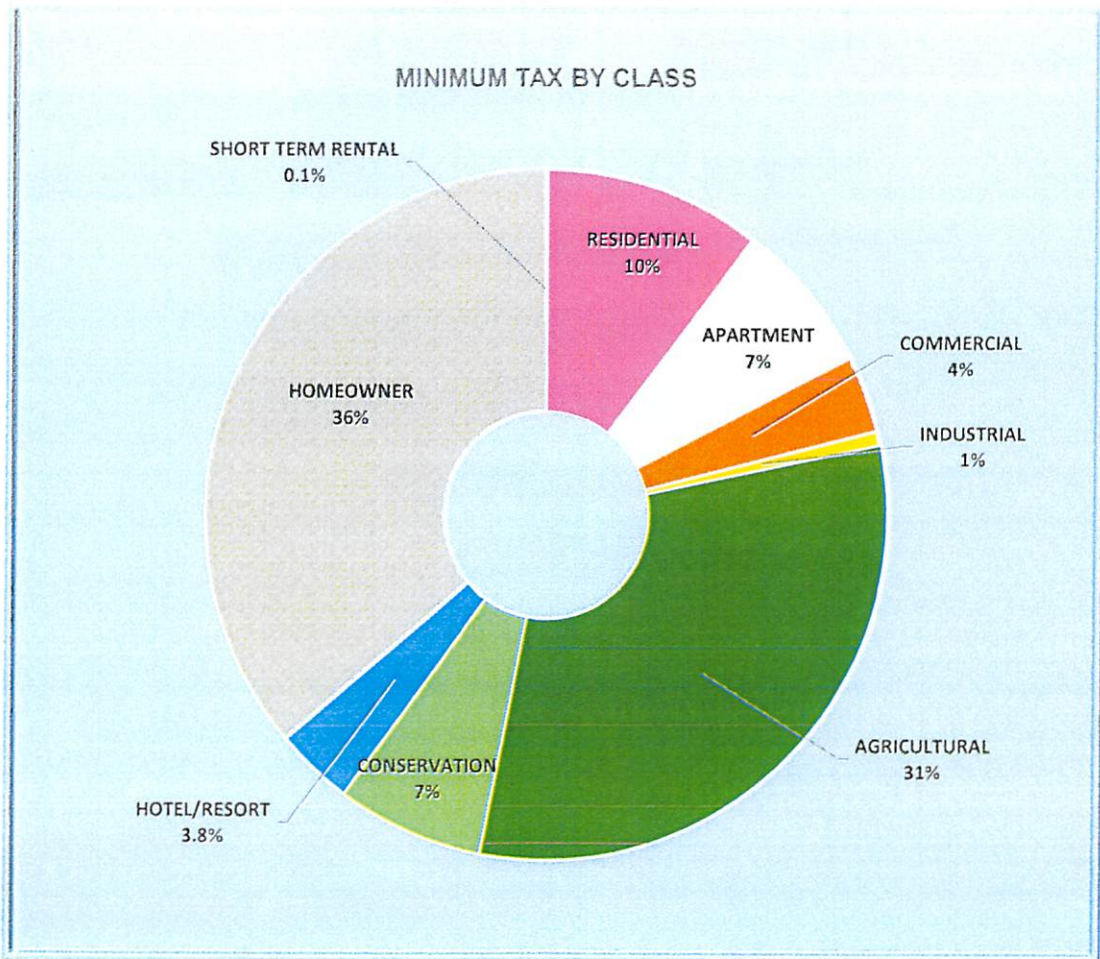
FY	Minimum Tax	Parcel Count	Tot Additional Revenue	Exemption Amount
2008-09	\$60	8,653	\$475,842	\$300,000
2009-10	\$150	9,660	\$1,248,168	\$300,000
2010-11	\$150	11,453	\$1,452,877	\$300,000
2011-12	\$150	13,405	\$1,695,283	\$300,000
2012-13	\$250	12,667	\$2,376,211	\$200,000
2013-14	\$250	12,802	\$2,358,728	\$200,000
2014-15	\$250	11,796	\$2,224,217	\$200,000
2015-16	\$250	10,325	\$1,954,140	\$200,000
2016-17	\$300	10,192	\$2,244,485	\$200,000
2017-18	\$400	11,279	\$3,173,476	\$200,000
2018-19*	\$400	11,024	\$2,997,019	\$200,000

\*Projection





**MINIMUM TAX STATISTICS**  
FISCAL YEAR 2018-2019



Maui County Taxable Number of Parcels	Number of Homeowners		Parcels that Pay Minimum Tax		Homeowner Class Pay Minimum Tax		Percent of Homeowners Pay Minimum Tax
	# of Parcels	% of Total	# of Parcels	% of Total	# of Parcels	% of Total	
74,000	25,765	34.8%	11,024	14.9%	3,982	5.4%	15.5%

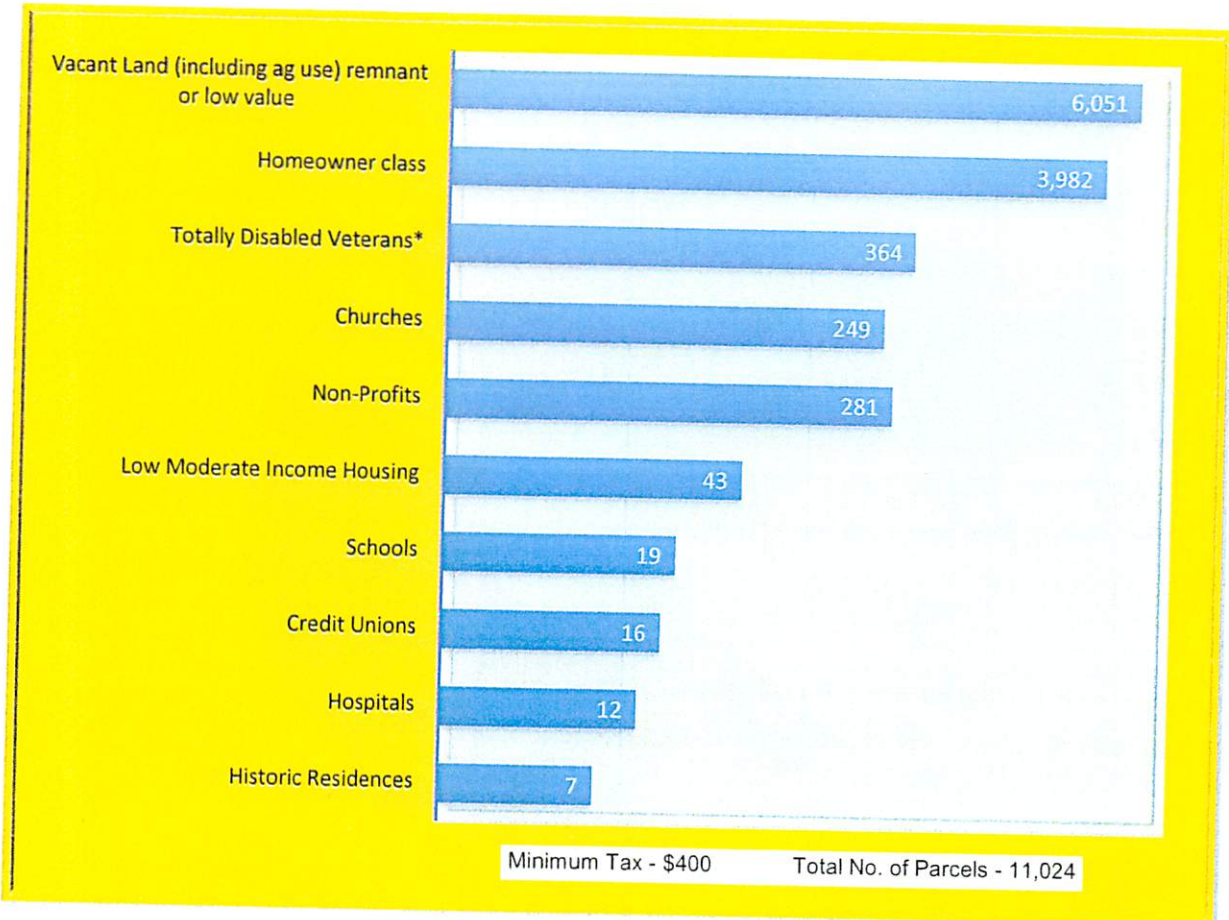
**11,024** Total number of parcels that will pay \$400 minimum tax.

**3,982** Total number of parcels in Homeowner Class that will pay \$400 minimum tax.

**7,042** Total number of parcels not in homeowner class paying minimum tax.



**WHO PAYS MINIMUM TAX**  
(Before Circuit Breaker Tax Credit)  
FISCAL YEAR 2018-2019

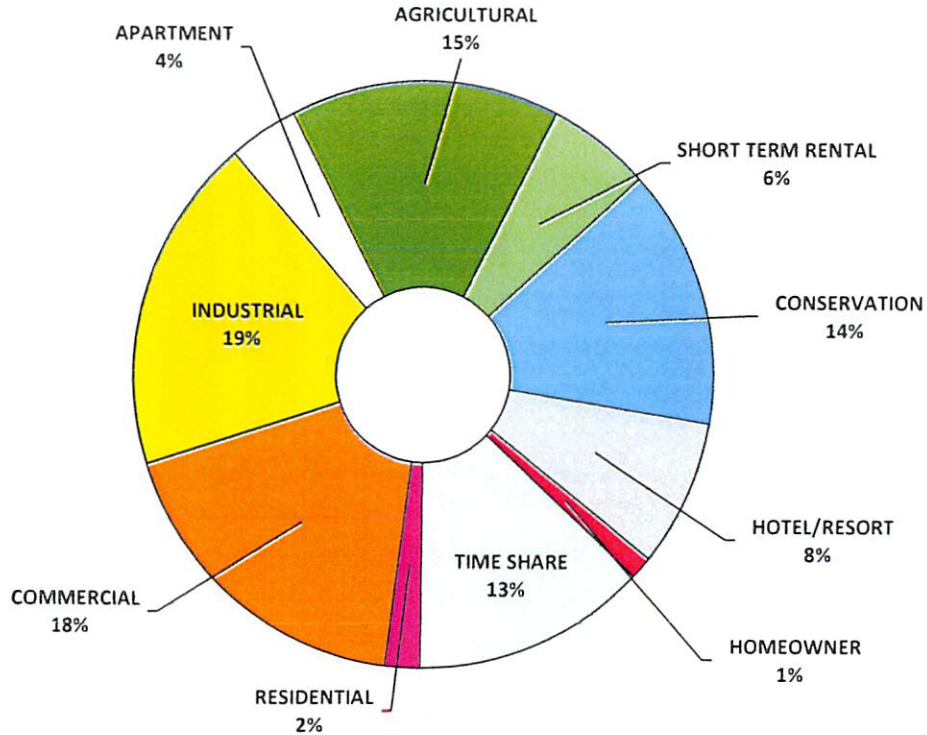


\*Total Disabled Veteran exemptions filed. Not all pay special \$150 tax...if there is a cottage or a portion of the property is rented they do not get the exemption on that portion of the property.



FISCAL YEAR 2018-2019 APPEAL STATISTICS  
PER TAX RATE CLASSIFICATION

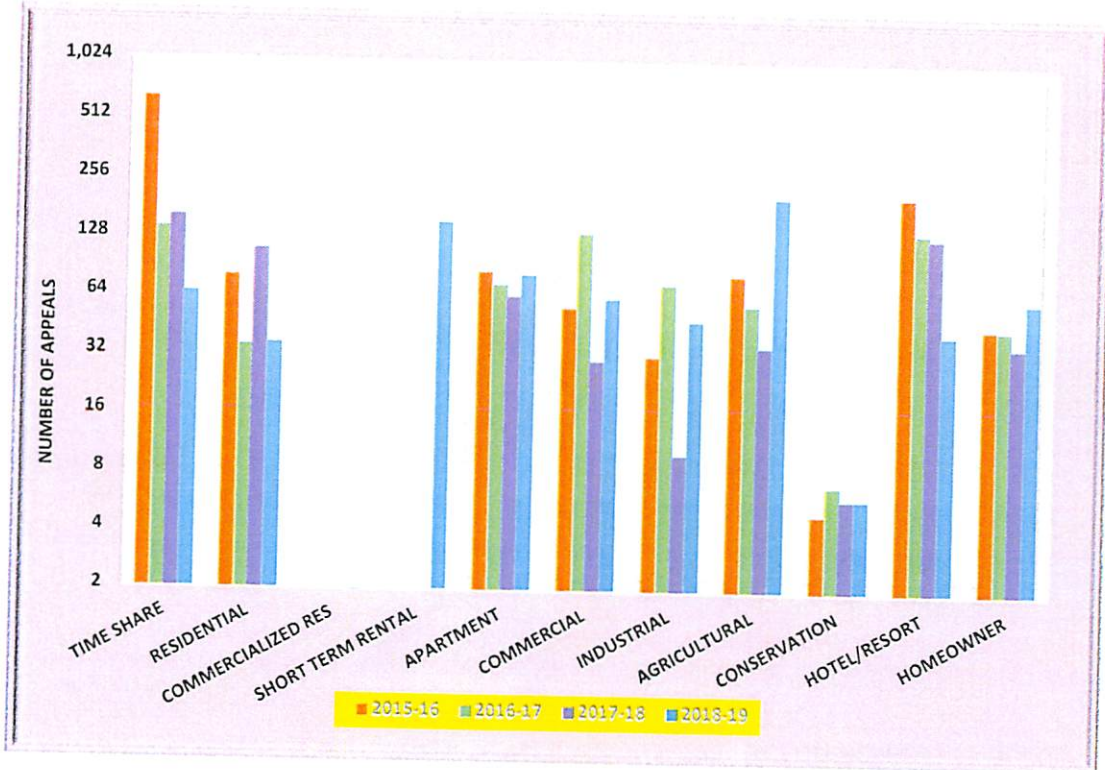
100% of Taxes on Appeal



Classification	100% of Taxes in Dispute	Percent of Total
TIME SHARE	\$901,503	13.1%
RESIDENTIAL	\$133,024	1.9%
COMMERCIAL	\$1,241,205	18.0%
INDUSTRIAL	\$1,277,386	18.6%
APARTMENT	\$266,452	3.9%
AGRICULTURAL	\$1,027,190	14.9%
SHORT TERM RENTAL	\$398,045	5.8%
CONSERVATION	\$986,482	14.3%
HOTEL/RESORT	\$556,352	8.1%
HOMEOWNER	\$86,832	1.3%
COMMERCIALIZED RES	\$9,714	0.1%
<b>TOTAL</b>	<b>\$6,884,187</b>	<b>100.0%</b>



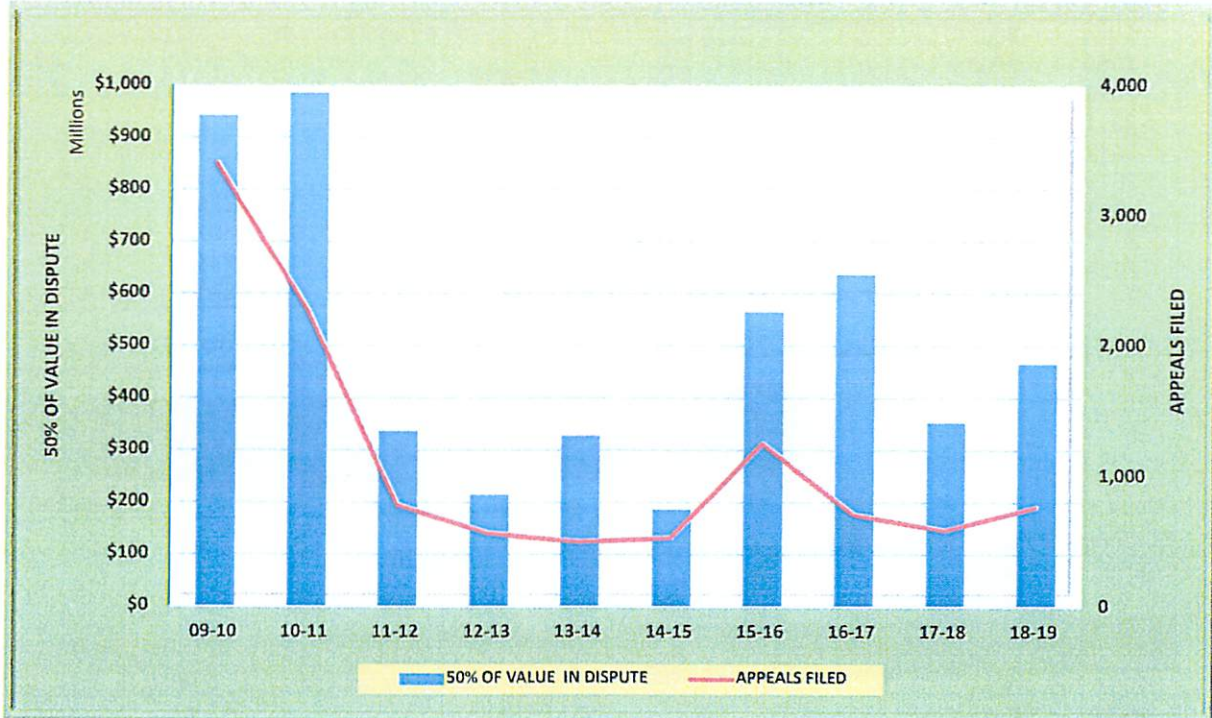
### 4 YEAR APPEAL COUNT HISTORY BY CLASS FISCAL YEARS 2016 - 2019



CLASSIFICATION	NUMBER OF APPEALS			
	2015-16	2016-17	2017-18	2018-19
TIME SHARE	649	140	161	65
RESIDENTIAL	80	35	110	36
COMMERCIALIZED RES	0	0	0	1
SHORT TERM RENTAL	N/A	N/A	N/A	152
APARTMENT	86	73	64	82
COMMERCIAL	56	135	30	62
INDUSTRIAL	32	74	10	48
AGRICULTURAL	84	58	36	209
CONSERVATION	5	7	6	6
HOTEL/RESORT	216	140	133	42
HOMEOWNER	46	45	37	62
<b>TOTAL</b>	<b>1,254</b>	<b>707</b>	<b>587</b>	<b>765</b>



### 10 YEAR APPEAL HISTORY FISCAL YEARS 2010 - 2019



FISCAL YEAR	APPEALS FILED	50% OF VALUE IN DISPUTE	PERCENT OF NET TAXABLE	NET TAXABLE AT CERTIFICATION
09-10	3,404	\$940,346,000	2.14%	\$44,008,629,400
10-11	2,286	\$983,617,011	2.57%	\$38,240,476,700
11-12	786	\$335,072,227	1.01%	\$33,255,664,700
12-13	566	\$212,540,868	0.65%	\$32,685,844,200
13-14	499	\$325,748,100	0.97%	\$33,737,305,500
14-15	531	\$184,590,505	0.51%	\$36,433,702,100
15-16	1,254	\$562,504,430	1.36%	\$41,274,224,700
16-17	707	\$634,446,900	1.41%	\$44,997,983,600
17-18	587	\$350,979,350	0.76%	\$46,315,170,900
18-19	765	\$463,087,500	0.94%	\$49,311,679,400



Summary of Funds for RPA TAC Appeals Not Settled by 3/28/2018  
 source: HT541HI

FY	Asmnt Year	Pending Stipulation	100% Tax on Appeal	Appeal Funds*	Active	100% Tax on Appeal	Appeal Funds*
2008	2007	0	0.00	0.00	1	2,361.04	2,361.04
2009	2008	0	0.00	0.00	1	2,367.92	2,367.92
2010	2009	0	0.00	0.00	1	2,472.98	2,472.98
2011	2010	0	0.00	0.00	2	14,317.75	14,317.75
2012	2011	0	0.00	0.00	2	86,759.47	86,759.47
2015	2014	0	0.00	0.00	3	1,343,778.61	1,343,778.61
2016	2015	0	0.00	0.00	6	1,481,891.61	1,481,891.61
2017	2016	0	0.00	0.00	5	1,477,734.07	1,477,734.07
2018	2017	0	0.00	0.00	101	827,873.65	827,873.65
		0	0	0	122	5,239,557.10	5,239,557.10

	Pending Stipulation + Active	100% Tax on Appeal	Appeal Funds*
<b>TAC Totals</b>	122	5,239,557.10	5,239,557.10

Summary of Funds for RPA BOR Appeals Not Settled by 3/28/2018  
 source: HT541HI

FY	Asmnt Year	Pending Stipulation	100% Tax on Appeal	Appeal Funds*	Active	100% Tax on Appeal	Appeal Funds*
2007	2006	0	0.00	0.00	1	7,371.00	7,371.00
2008	2007	0	0.00	0.00	1	8,487.00	8,487.00
2009	2008	0	0.00	0.00	1	8,644.05	8,644.05
2010	2009	0	0.00	0.00	1	9,313.20	9,313.20
2011	2010	0	0.00	0.00	1	9,781.00	9,781.00
2012	2011	0	0.00	0.00	1	9,930.76	9,930.76
2015	2014	0	0.00	0.00	1	0.00	0.00
2016	2015	0	0.00	0.00	1	1,388.10	1,388.10
2017	2016	0	0.00	0.00	1	8,214.35	8,214.35
2018	2017	0	0.00	0.00	44	1,651,062.67	1,649,154.34
		0	0.00	0.00	53	1,714,192.13	1,712,283.80
2019	2018	0	0.00	0.00	53	1,450,722.69	0.00

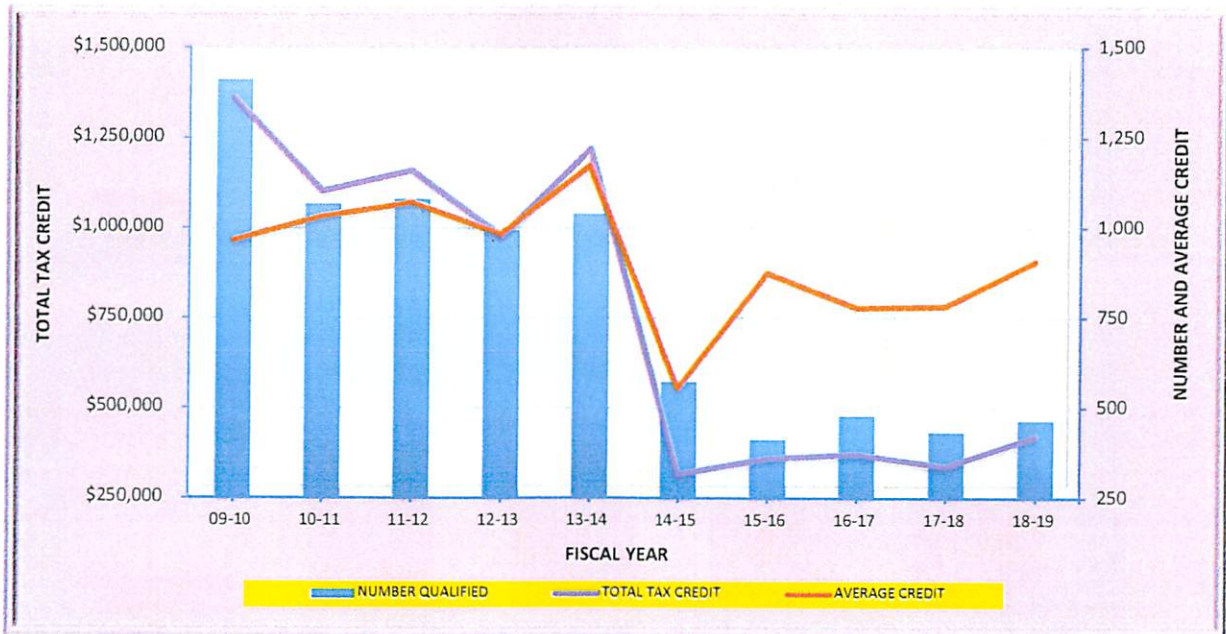
	Pending Stipulation + Active	100% Tax on Appeal	Appeal Funds*
<b>BOR Totals</b>	106	3,164,914.82	1,712,283.80

	Pending Stipulation + Active	100% Tax on Appeal	Appeal Funds*
<b>GRAND TOTALS</b>	228	8,404,471.92	6,951,840.90

\*Appeal Funds are the actual taxes collected, which may include penalties & interest.



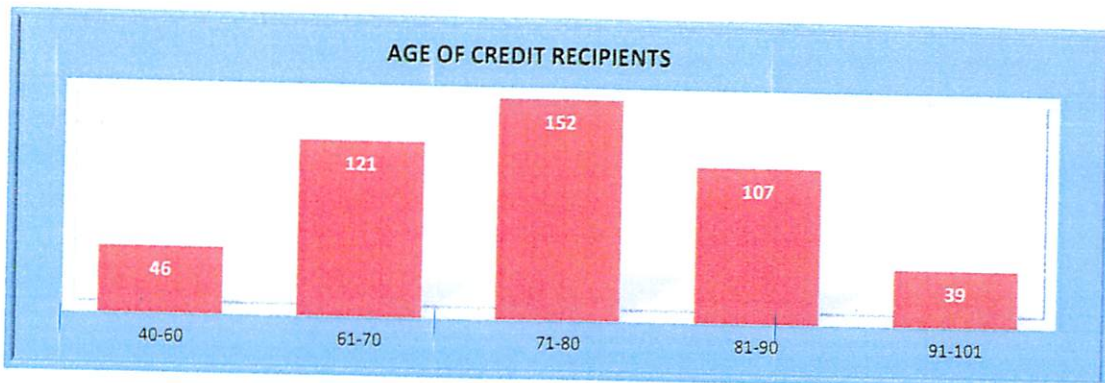
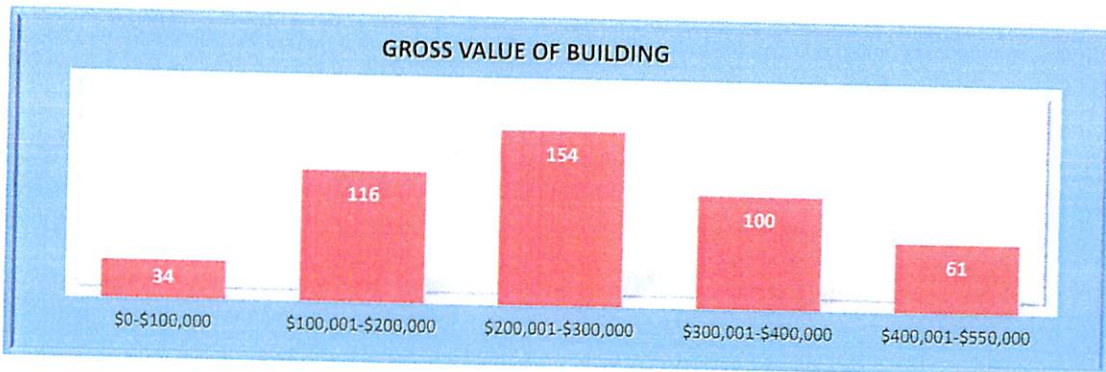
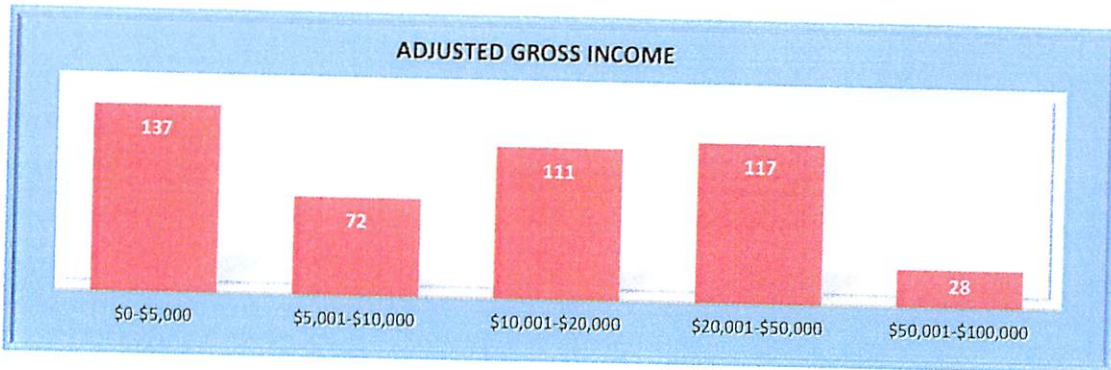
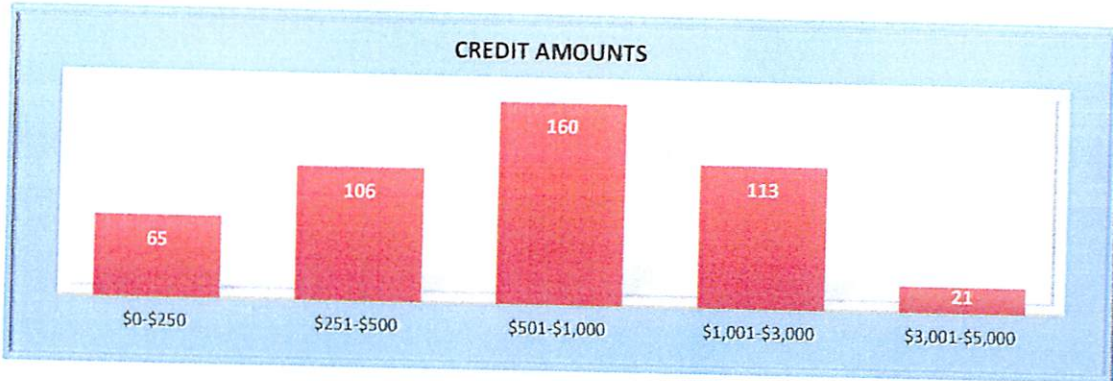
### CIRCUIT BREAKER TAX CREDIT HISTORY FISCAL YEARS 2010 - 2019



FISCAL YEAR	NUMBER QUALIFIED	TOTAL TAX CREDIT	AVERAGE CREDIT
09-10	1,410	\$1,362,229	\$966
10-11	1,069	\$1,105,524	\$1,034
11-12	1,082	\$1,161,159	\$1,073
12-13	995	\$979,010	\$984
13-14	1,039	\$1,220,420	\$1,175
14-15	572	\$318,186	\$556
15-16	412	\$360,846	\$876
16-17	478	\$373,138	\$781
17-18	433	\$339,511	\$784
18-19	465	\$421,854	\$907



### CIRCUIT BREAKER TAX CREDIT STATISTICS FISCAL YEAR 2018-2019







### HOME EXEMPTION BY COUNTY FISCAL YEAR 2018-2019

(No proposed changes for Fiscal Year 2018-2019)

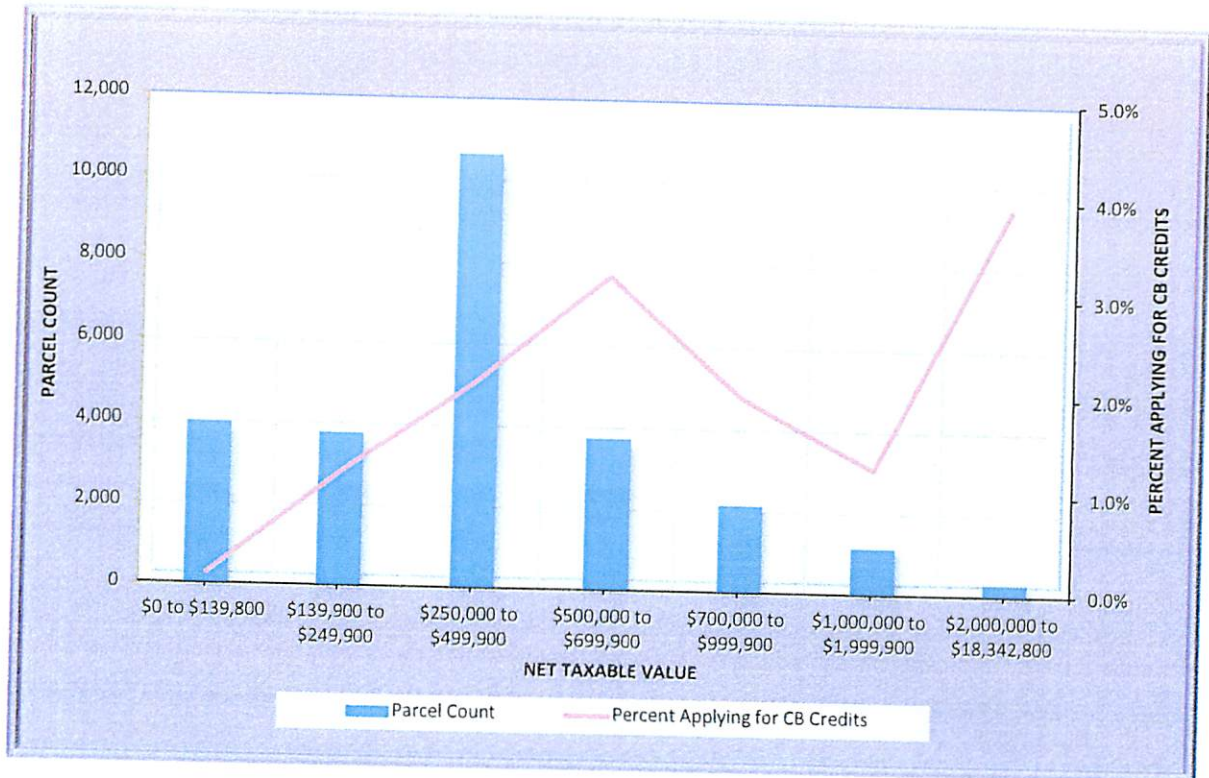
County	Type	Amount
KAUAI	Basic home exemption	\$ 160,000
	Age 60 to 70	\$ 180,000
	Age 70+	\$ 200,000
MAUI	Home exemption	\$ 200,000
HAWAII*	Basic home exemption	\$40,000-\$120,000
	Age 60 to 69	\$80,000-\$160,000
	Age 70+	\$100,000-\$180,000
OAHU	Basic home exemption	\$ 80,000
	Age 65 and older	\$ 120,000

\*In Hawaii County, owners can qualify for an additional exemption amount of 20% of the assessed value of property not to exceed \$80,000



### HOMEOWNER CLASS BY VALUE

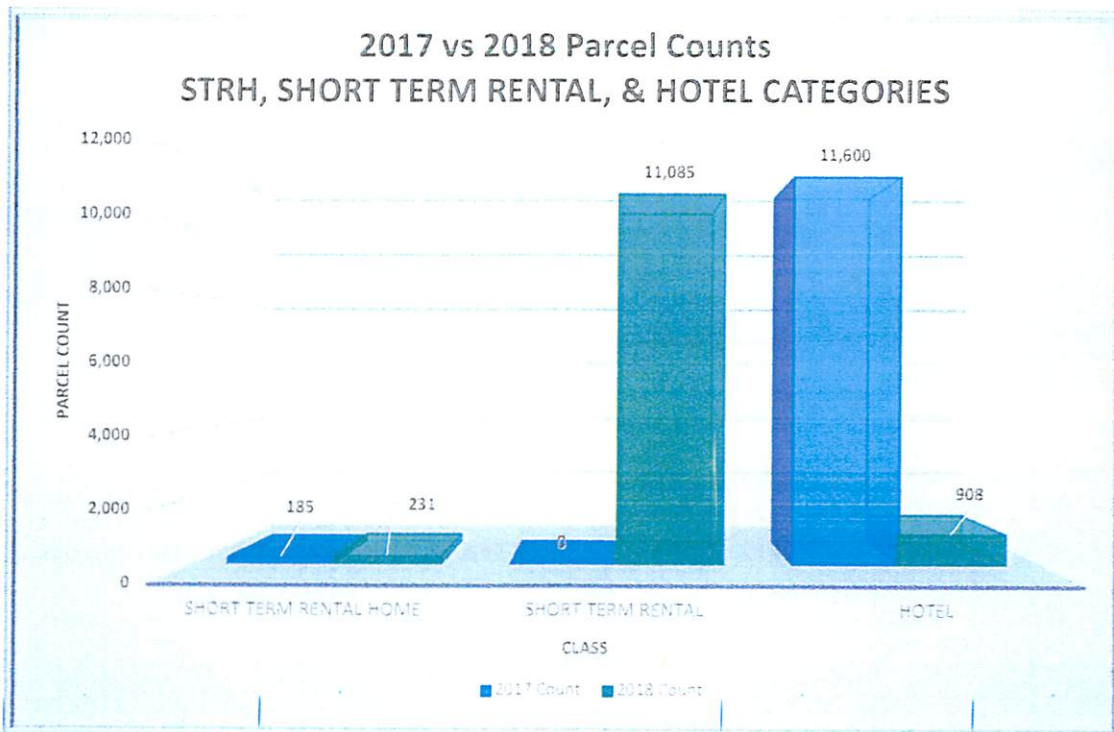
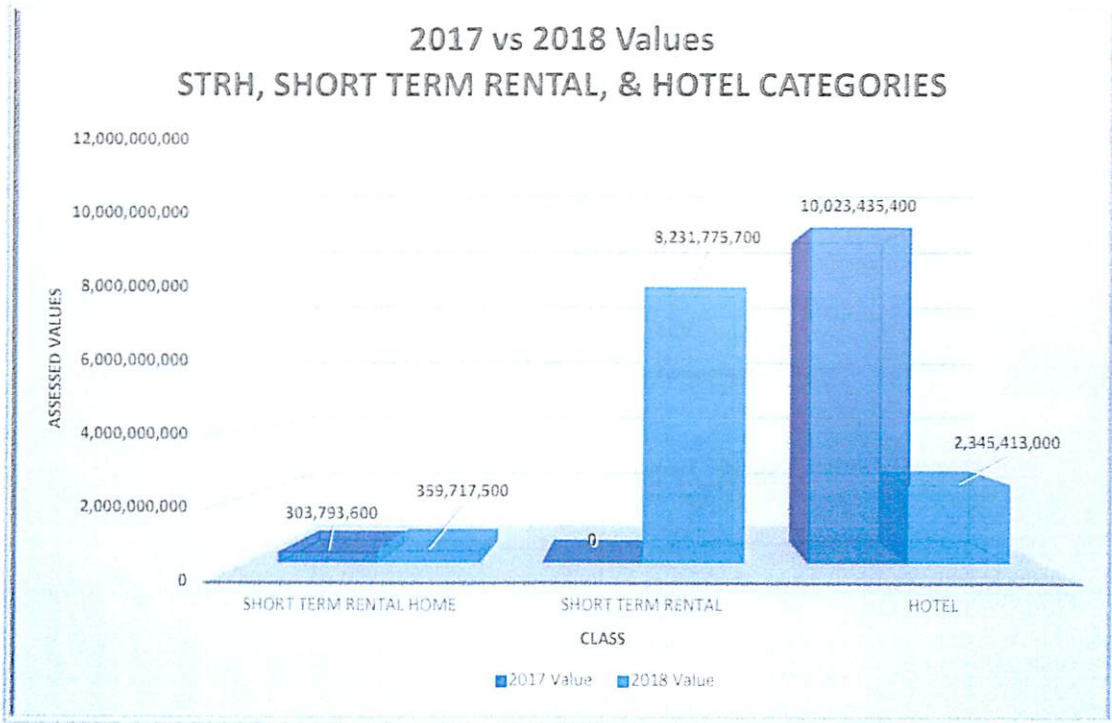
Assessment Year 2018 – Fiscal Year 2019



Net Taxable Value Range	Parcel Count	Number of Circuit Breaker Applicants	Percent Applying for CB Credits	Tax Range for \$2.86 Rate (not including CB Credits)	Percent of Total	Running Total Percent
\$0 to \$139,800	3,982	5	0.13%	Min. Tax \$400	15.46%	15.46%
\$139,900 to \$249,900	3,767	44	1.17%	to \$715	14.62%	30.08%
\$250,000 to \$499,900	10,631	225	2.12%	to \$1,430	41.26%	71.34%
\$500,000 to \$699,900	3,737	120	3.21%	to \$2,002	14.50%	85.84%
\$700,000 to \$999,900	2,150	43	2.00%	to \$2,860	8.34%	94.19%
\$1,000,000 to \$1,999,900	1,168	15	1.28%	to \$5,720	4.53%	98.72%
\$2,000,000 to \$18,342,800	330	13	3.94%	to \$52,460	1.28%	100.00%
<b>Total</b>	<b>25,765</b>	<b>465</b>	<b>1.80%</b>		<b>100.00%</b>	



FY 18 vs. 19 SHORT TERM RENTAL CLASSIFICATION CHANGES

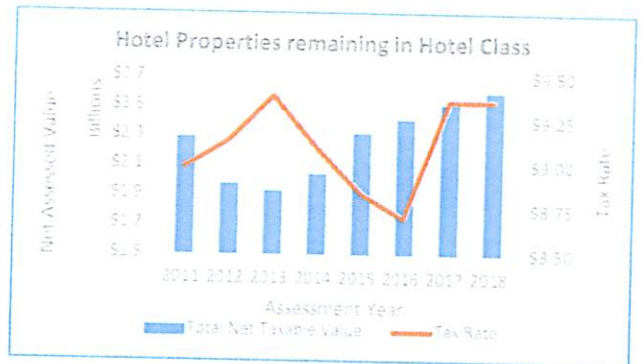




### VALUE AND TAX TRENDS FOR 2018 TRANSIENT ACCOMODATION PROPERTIES

#### HOTEL AND RESORT

Year	Total Net Taxable Value	Tax Rate	Tax Rate Change	Parcel Count	Value Change
2011	2,295,177,500	\$9.00	8%	257	-14%
2012	1,979,652,600	\$9.15	2%	256	-14%
2013	1,932,175,100	\$9.40	3%	258	-2%
2014	2,047,697,800	\$9.11	-3%	270	6%
2015	2,325,948,800	\$8.85	-3%	268	14%
2016	2,420,750,600	\$8.71	-2%	287	4%
2017	2,523,860,900	\$9.37	8%	685	4%
2018	2,605,743,900	\$9.37	0%	906	3%
<b>Total Value Change</b>					<b>14%</b>



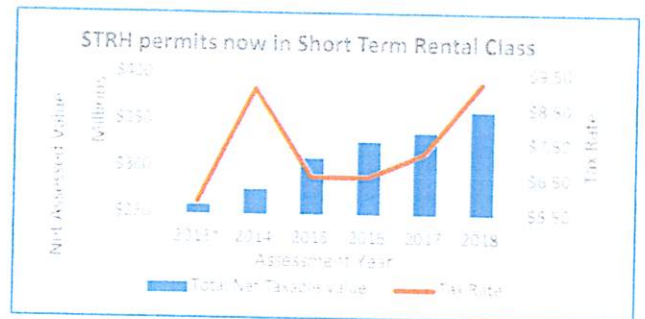
#### CONDOMINIUMS RENTED SHORT TERM

Year	Total Net Taxable Value	Tax Rate	Tax Rate Change	Parcel Count	Value Change
2011	6,147,383,900	\$9.00	8%	11,038	-10%
2012	6,046,994,000	\$9.15	2%	11,039	-2%
2013	6,020,166,300	\$9.40	3%	11,042	0%
2014	6,914,557,700	\$9.11	-3%	11,047	15%
2015	7,469,097,000	\$8.85	-3%	11,074	8%
2016	7,729,478,700	\$8.71	-2%	11,077	3%
2017	7,835,704,900	\$9.37	8%	11,078	1%
2018	8,230,787,400	\$9.28	-1%	11,078	5%
<b>Total Value Change</b>					<b>34%</b>



#### SHORT TERM RENTAL HOMES

Year	Total Net Taxable Value	Tax Rate	Tax Rate Change	Parcel Count	Value Change
2013*	260,001,900	\$5.90		227	
2014	276,989,800	\$9.11	54%	229	7%
2015	310,323,700	\$6.60	-28%	229	12%
2016	328,784,500	\$6.60	0%	229	6%
2017	338,333,600	\$7.28	10%	230	3%
2018	361,676,000	\$9.28	27%	231	7%
<b>Total Value Change</b>					<b>39%</b>

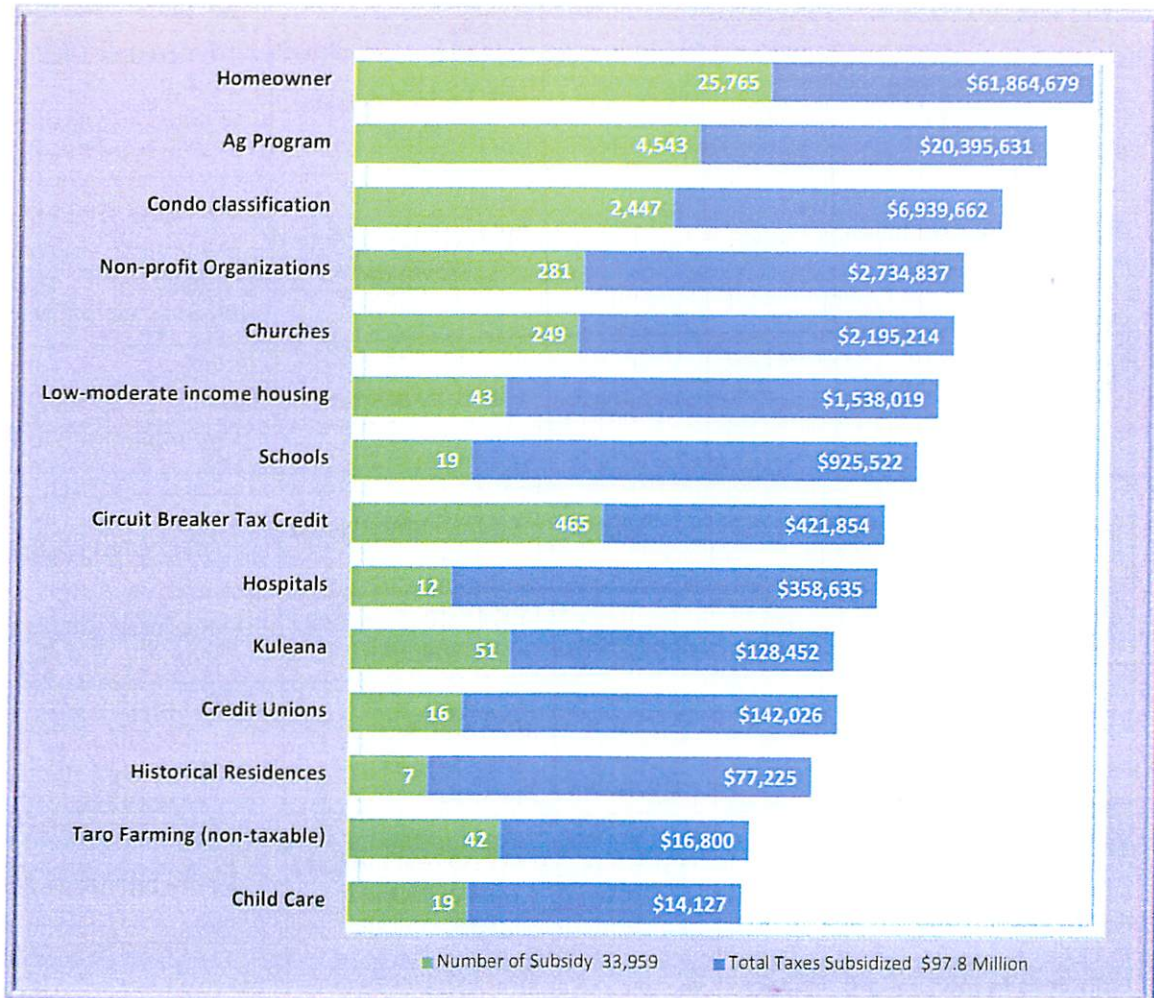


\*Ag \$6.05, Res \$5.75 Avg=\$5.90

This chart has been provided to show the value and tax rate changes for the three groups of properties that were affected by Bill 91 Ordinance 4790 titled "A bill for an ordinance amending Chapter 3.48 Maui County Code, to classify real property used as short-term rental homes or transient vacation rentals as "short-term rental" for tax valuation purposes."



### REAL PROPERTY TAX SUBSIDIES FISCAL YEAR 2018 - 2019





**Compliance Projects**

March 2017-March 2018

Category	Count	Revenue	Where Revenue Gained	Means
Agricultural use enforcement	321	\$614,062	FY 18-19 assessed values	Pictometry / inspections / ag use sales / Compliance and Appraisal Sections
Homeowner exemption enforcement	443	\$920,421	FY 17-18 unbudgeted revenue	Lexis Nexis, State of Hawaii Department of Taxation, TransUnion, Compliance and Assessment Sections
Homeowner exemption enforcement	570	\$1,455,914	FY 18-19 assessed values	Compliance /State of Hawaii Department of Taxation
Condo use enforcement	0	\$0	FY 17-18 unbudgeted revenue	Internet/complaints
Homeowner exemption death enforcement	122	\$276,650	FY 18-19 assessed values	Lexis Nexis, obituaries, Department of Health
AOAO classification	124	\$359,173	FY 18-19 assessed values	Bill 53, ordinance 53, replies from December 2016, for Dec 2017 many condos did not comply
Delinquent homeowner collection	606	\$283,330	FY17-18 real property tax collections	Bill 36, ordinance 3842
Ag homesite revaluation	2,448	\$1,523,400	FY 18-19 assessed values	Revaluation per 3.48.325 rules and regulations
Total		\$5,432,950		



## DESCRIPTION OF PARCELS IN EACH LAND CLASS

### TIMESHARE

- Condominiums occupied by transient tenants for periods of less than six consecutive months and subject to a time share plan as defined in HRS 514E-1
- Non condominium properties subject to a time share plan as defined in HRS 514E-1



Maui Ocean Club – *Timeshare Classification*



WorldMark – *Timeshare Classification*



RESIDENTIAL

- Vacant and improved non condominium land zoned residential
- Project district land designated for residential use
- Homes are rented long term or are second homes and not rented



Improved Lot on Residential Zoned Land – Residential Classification



Vacant Lots on Residential Zoned Land – Residential Classification



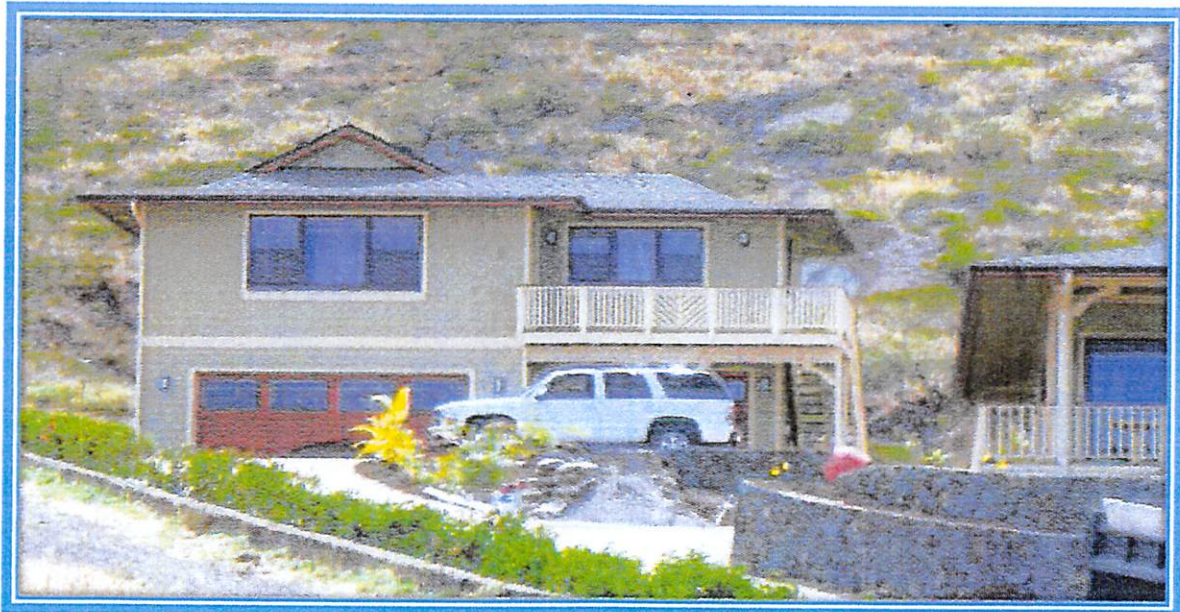


APARTMENT

- Project district multi-family use (vacant or improved)
- Vacant and improved non condominium land zoned apartment
- Condominium – second home not rented (without regard to highest and best use)
- Condominium – rented long-term (without regard to highest and best use)



Apartment Building on Apartment Zoned Land – *Apartment Classification*



Condominiumized Residential Dwelling on Ag Zoned Land - *Apartment Classification*



Improved and Vacant Apartment Zoned Land - *Apartment Classification*



Condominium Units Used as Second Homes on Hotel Zoned Land - *Apartment Classification*



COMMERCIAL

- Project district commercial (vacant and improved)
- Industrial and commercial condominiums (without regard to highest and best use)
- Vacant and improved land zoned commercial



Store on Commercial Zoned Land – *Commercial Classification*



Shopping Center on Commercial Zoned Land – *Commercial Classification*



Commercial Condominium Units on Industrial Zoned Land – *Commercial Classification*



INDUSTRIAL

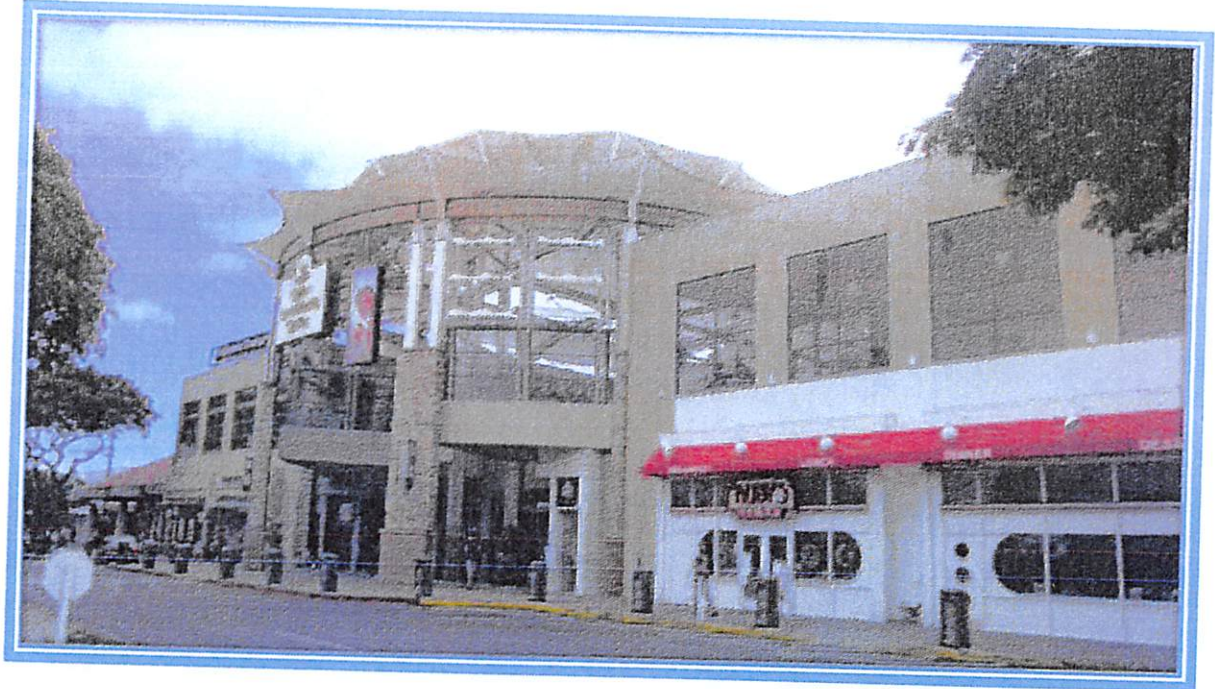
- Project district industrial (vacant or improved)
- Vacant and improved non condominium land zoned industrial



Warehouse on Industrial Zoned Land – *Industrial Classification*



Commercial Store on Industrial Zoned Land – *Industrial Classification*



Commercial Shopping Center on Industrial Zoned Land – *Industrial Classification*

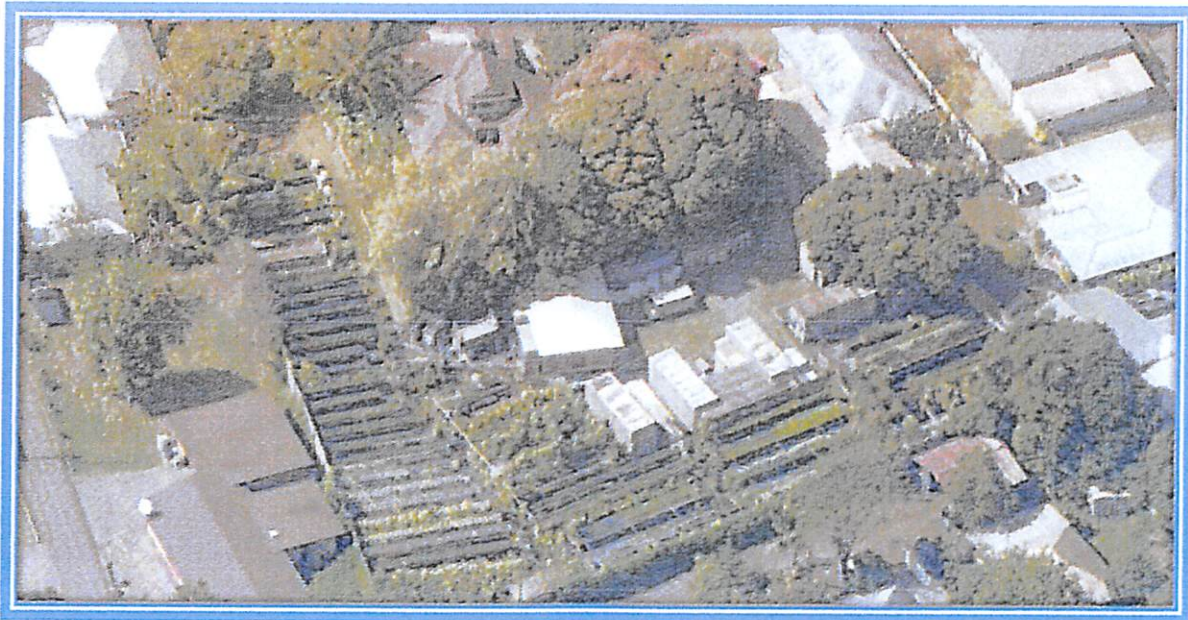


Big Box Store on Industrial Zoned Land – *Industrial Classification*

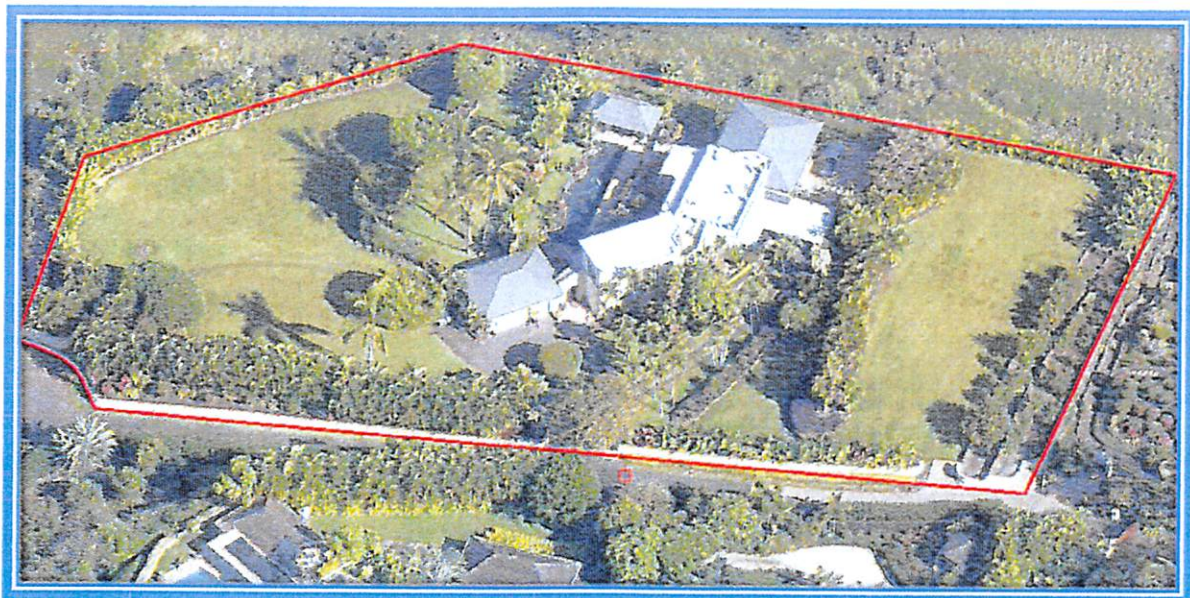


AGRICULTURAL

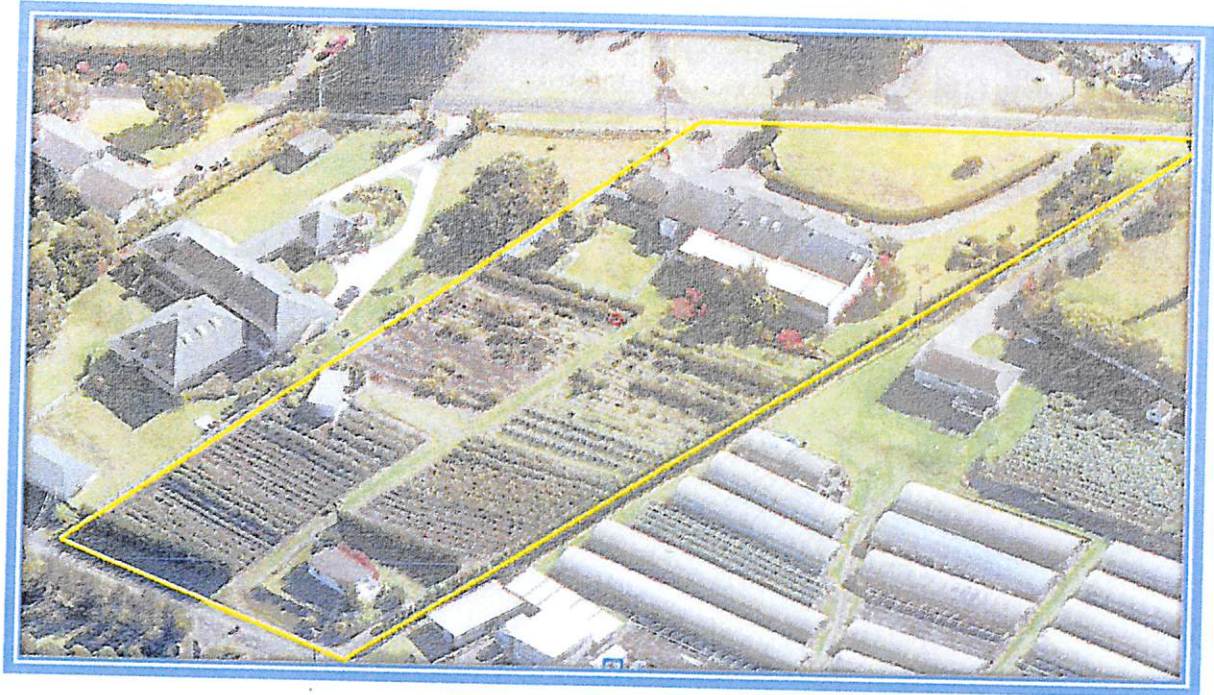
- Vacant and improved non condominium land zoned agricultural or rural
- Land not zoned agricultural or rural but dedicated to agricultural production
- Land zoned agricultural improved with residential dwellings
- Ag zoned with no agricultural use
- Homes are rented long term or are second homes and not rented



Land Not Zoned Agricultural or Rural but Dedicated to Agricultural Production  
– *Agricultural Classification*



Improved Ag Zoned Land with No Ag Use – *Agricultural Classification*



Improved Ag Zoned parcel with Ag Use – *Agricultural Classification*





CONSERVATION

- Golf courses (without regard to highest and best use-dedicated)
- State conservation land (may be improved-wind farm, residential dwelling, etc.)



Forest Reserve on Conservation Zoned Land – *Conservation Classification*



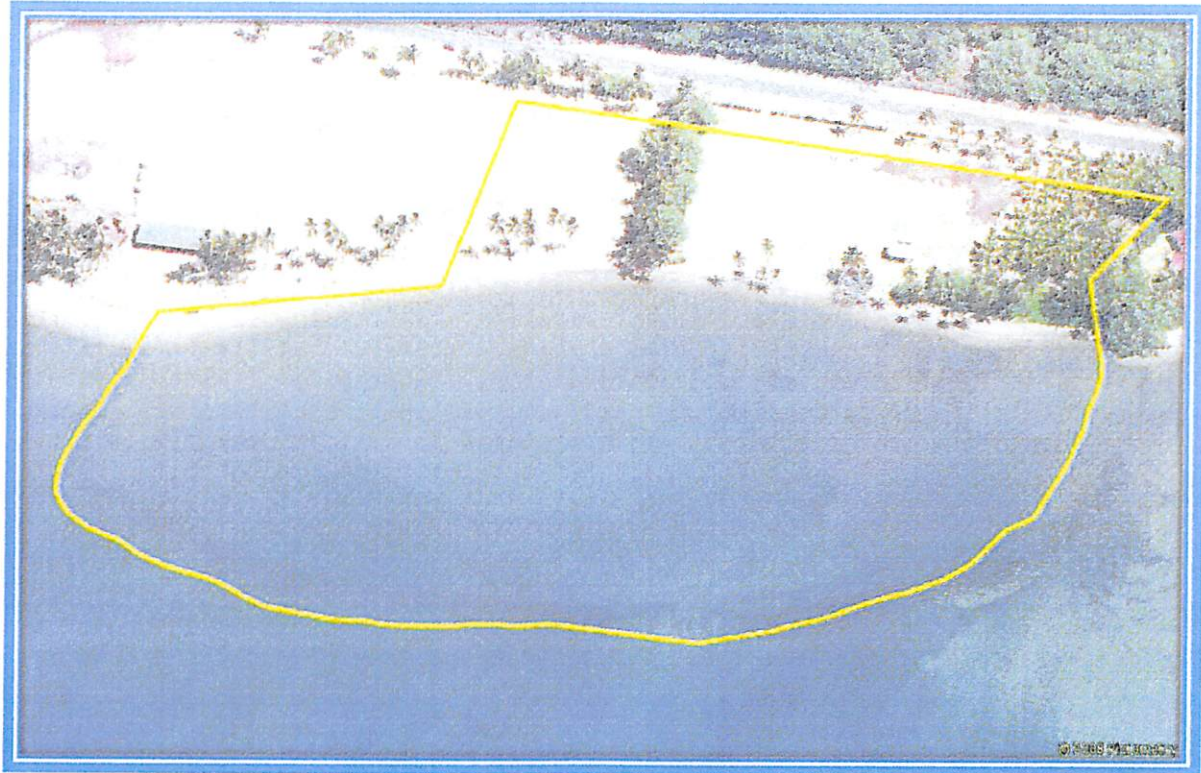
Wind Farm on State Owned Conservation Zoned Land – *Conservation Classification*



Golf Courses – *Conservation Classification*



Improved Parcel on Conservation Zoned Land – *Conservation Classification*

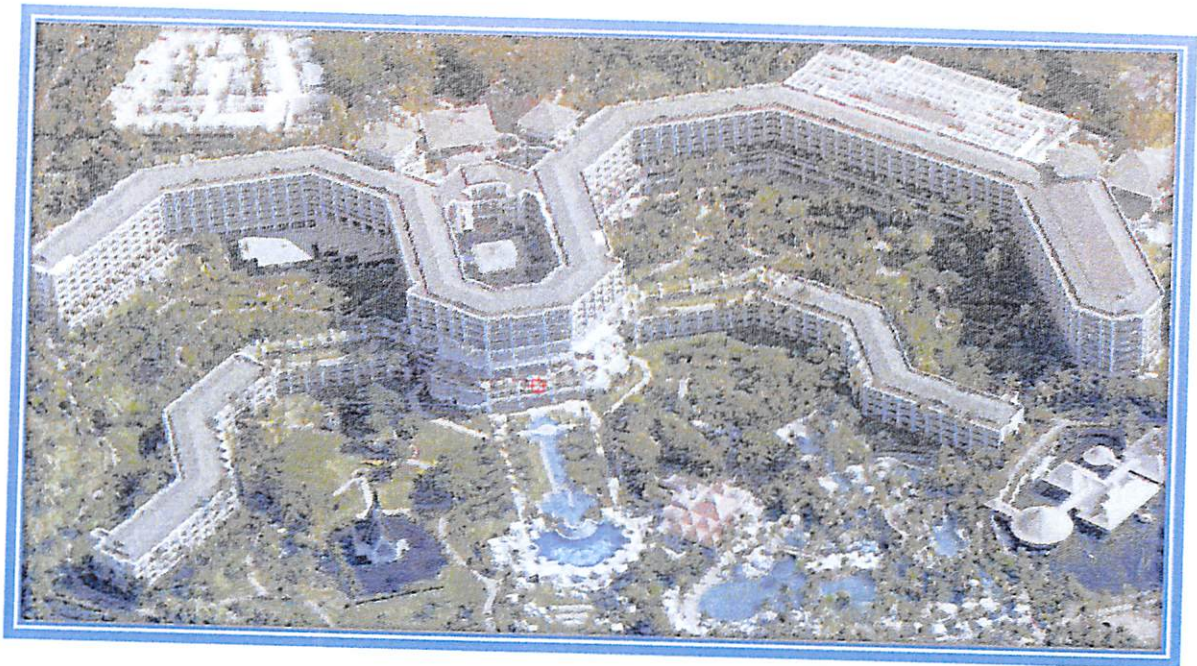


Fishpond Lands – *Conservation Classification*



HOTEL/RESORT

- Vacant land zoned hotel
- Properties improved with 8 or more short term lodging units and employ more than 20 full time persons



Grand Wailea Hotel - *Hotel Classification*



Unimproved Hotel Zoned Parcels - *Hotel Classification*



HOMEOWNER (without regard to highest and best use)

- Properties including condominiums used as the owner's principal residence, and
- Has been granted a homeowner's exemption



Residential Zoned Parcel – Homeowner Classification



Industrial Zoned Parcel – Homeowner Classification

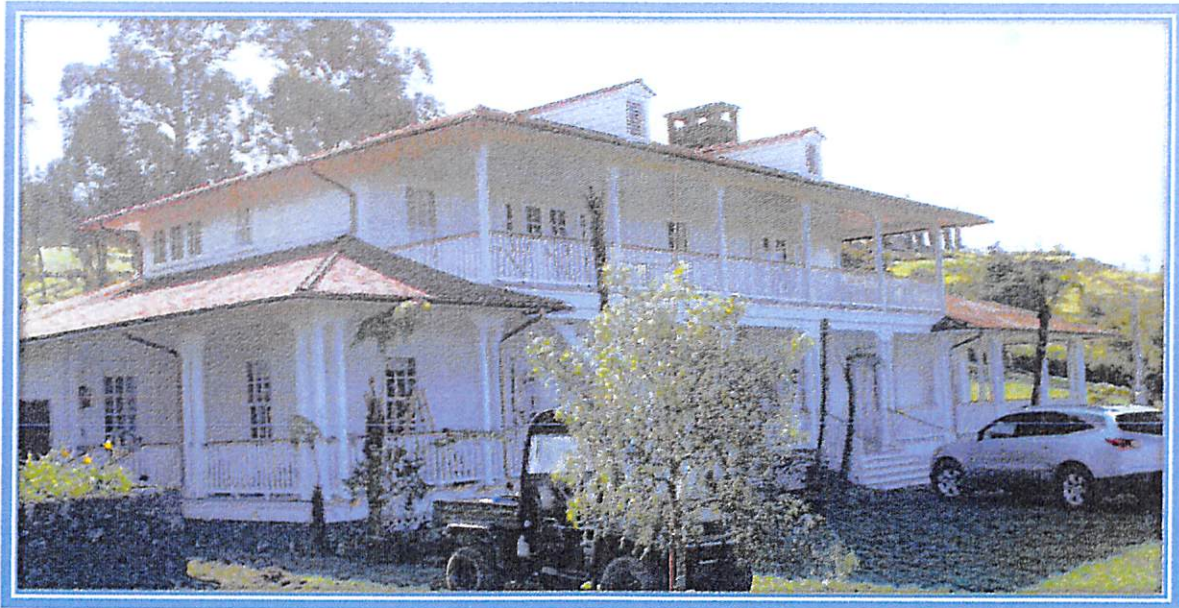


Hotel Zoned Parcel – Homeowner Classification

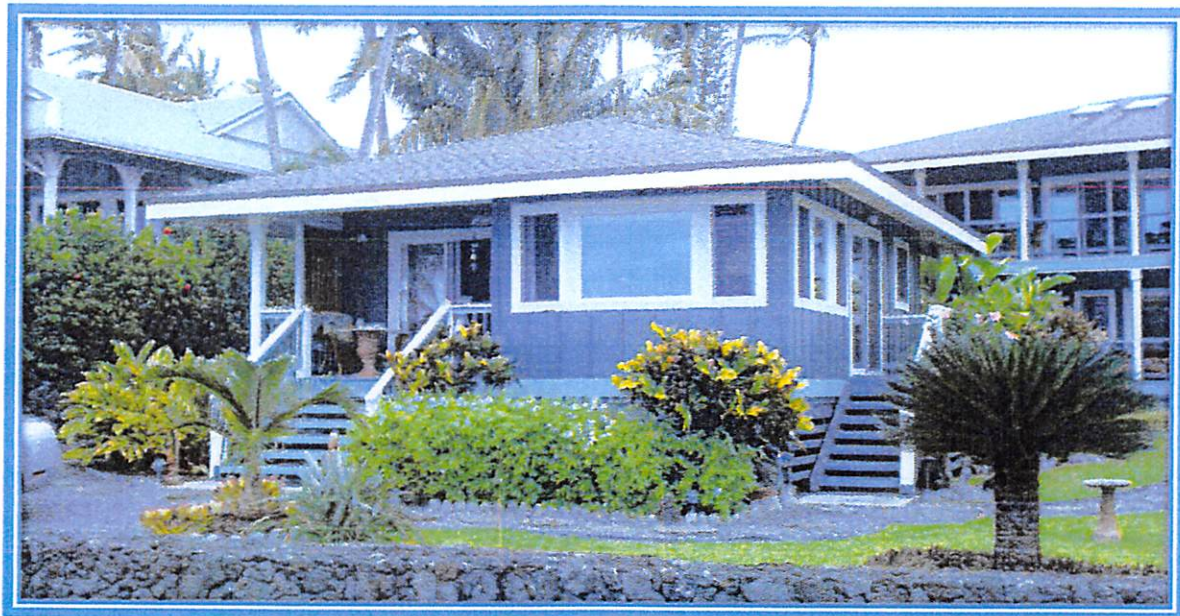


COMMERCIALIZED RESIDENTIAL (without regard to highest and best use)

- A parcel or condominium unit that has been granted a Bed & Breakfast (B&B) permit
- A parcel or condominium unit that has been granted a Transient Vacation Rental (TVR) or conditional permit to operate a TVR prior to 5/23/12



Permitted TVR – Commercialized Residential Classification



Permitted B&B – Commercialized Residential Classification

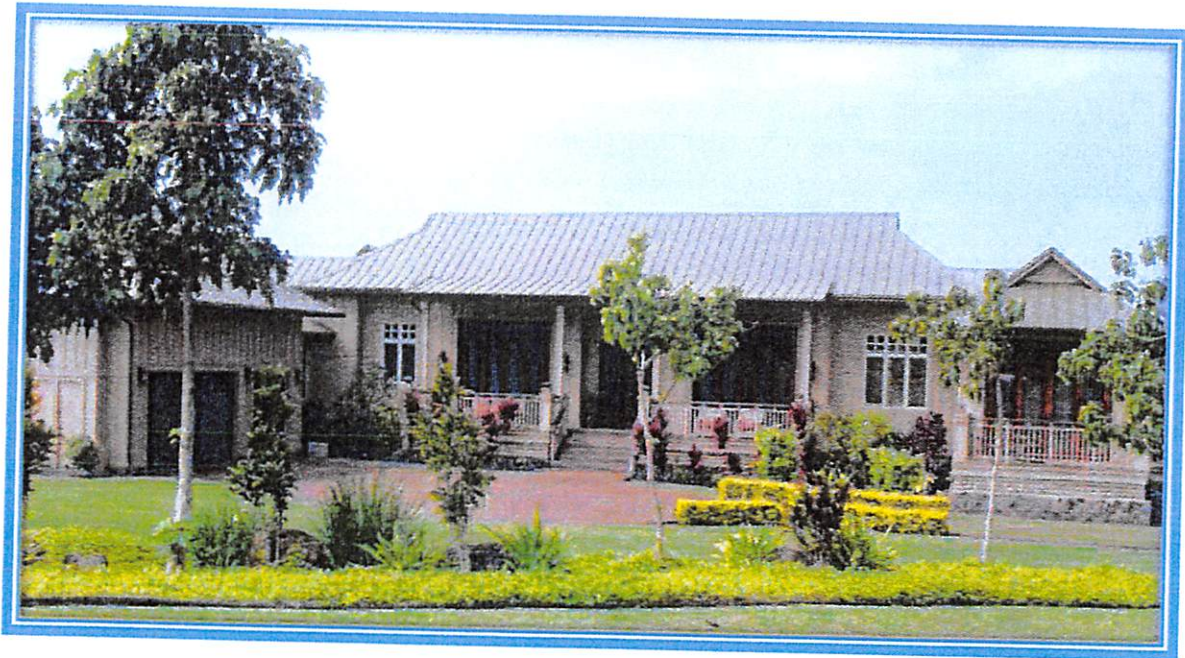


SHORT TERM RENTAL

- Properties used for transient occupancy less than 180 days that are not classified as hotel and resort
- Permitted short-term rental homes



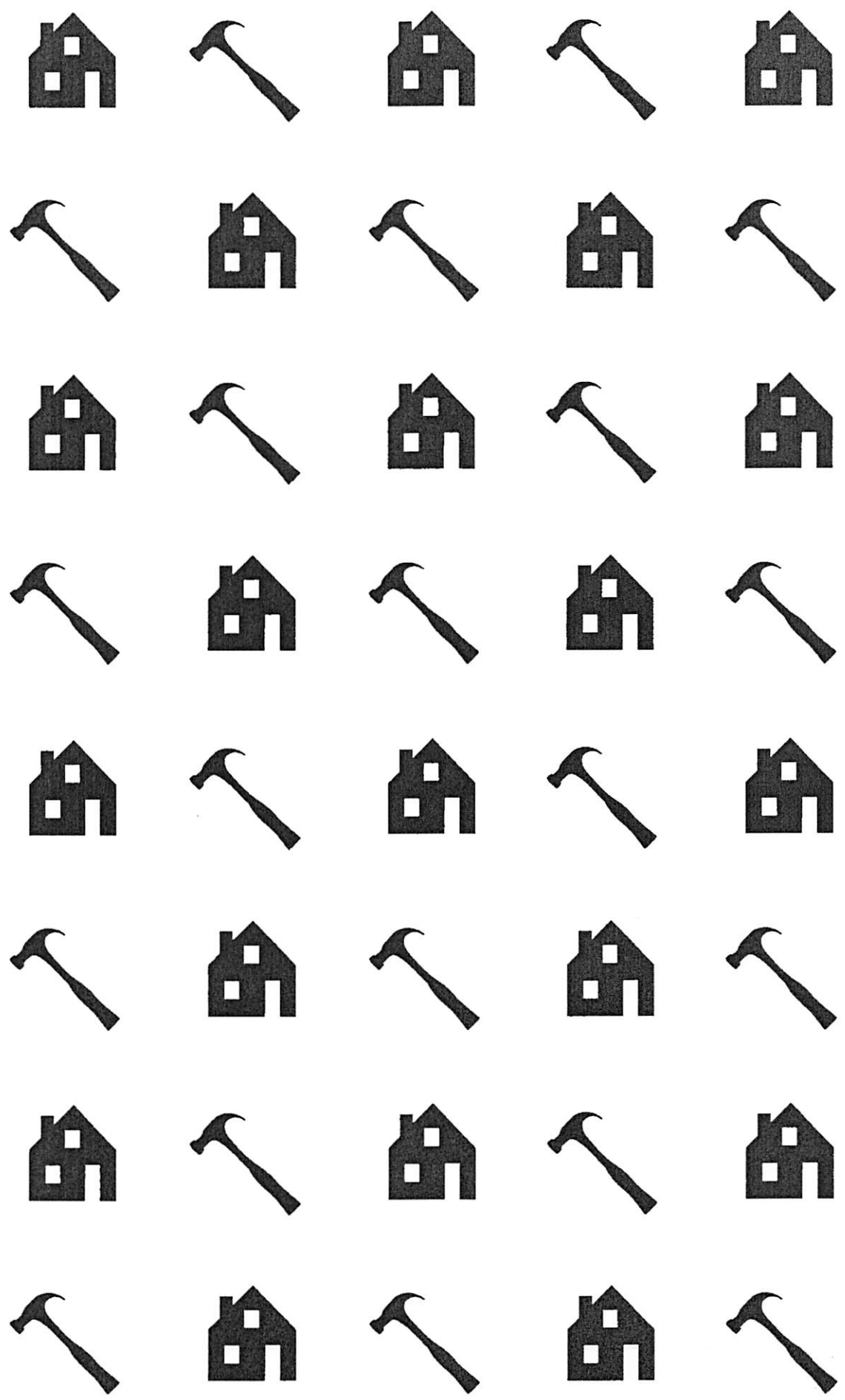
Condominium Units Used for Short-Term Rentals - *Short Term Rental Classification*



Permitted Short Term Rental Homes – *Short Term Rental Classification*



# Construction & Housing



## Section 8

# CONSTRUCTION & HOUSING

Statistics on building permits, construction authorizations and modifications for both public and private projects are covered in this section. Tenure and control of real property is reflected here, as are Maui's housing characteristics by division and census designated place.

In 2015, there were approximately 52,080 occupied housing units on Maui of which around 30,523 (59%) were owner-occupied.

### 8.1.1

## NUMBER AND VALUE OF BUILDING PERMITS MAUI COUNTY

Year	Number Issued	Estimated Value (\$1,000)
2001	2,012	312,737
2002	1,915	273,716
2003	2,199	469,277
2004	2,472	448,831
2005	2,348	831,416
2006	2,404	979,412
2007	2,196	727,772
2008	1,607	443,840
2009	1,130	224,437
2010	1,016	194,607
2011	1,076	243,683
2012	1,169	366,994
2013	1,200	325,014
2014	1,267	443,617
2015	1,280	731,491
2016	1,164	382,489

SOURCE: MAUI COUNTY; COMPILED BY THE HAWAII STATE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM.

### 8.1.2

## VALUE OF BUILDING PERMITS BY TYPE MAUI COUNTY

*In thousands of dollars*

Category	2011	2012	2013	2014	2015	2016
Residential	68,913	114,290	111,866	121,382	177,596	192,976
Hotel	12,000	19,883	75,070	256	307,990	0
Non-residential	108,300	74,095	62,041	131,646	122,405	97,382
Additions and alterations	54,470	158,727	76,038	190,333	123,500	92,131
<b>Total</b>	<b>243,683</b>	<b>366,994</b>	<b>325,014</b>	<b>443,617</b>	<b>731,491</b>	<b>382,489</b>

SOURCE: MAUI COUNTY; COMPILED BY THE HAWAII STATE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM.

8.1.3

**PRIVATE RESIDENTIAL CONSTRUCTION AUTHORIZATIONS  
MAUI COUNTY**

	2012	2013	2014	2015	2016
<b>Authorized Housing Units (number)</b>					
New single family units	246	333	324	332	264
New multi-family units	260	20	14	170	213
<b>Total</b>	<b>506</b>	<b>353</b>	<b>338</b>	<b>502</b>	<b>477</b>
<b>Permit Value (\$)</b>					
New single family units	57,279,962	81,325,902	82,327,993	89,543,401	133,806,590
New multi-family units	43,376,775	3,423,360	2,868,380	50,121,464	59,169,200
<b>Total</b>	<b>100,656,737</b>	<b>84,749,262</b>	<b>85,196,373</b>	<b>139,664,865</b>	<b>192,975,790</b>

SOURCE: U.S. CENSUS BUREAU, ANNUAL NEW PRIVATELY-OWNED RESIDENTIAL BUILDING PERMITS.

8.1.4

**PRIVATE RESIDENTIAL CONSTRUCTION AND  
DEMOLITION AUTHORIZED BY PERMITS  
MAUI COUNTY**

Year	New Single Family Units	New Duplex Units	New Apartments	Units Demolished
2001	767	28	253	43
2002	807	36	371	34
2003	889	6	206	47
2004	1,160	28	371	44
2005	971	206	388	52
2006	1,083	44	304	47
2007	1,062	34	217	48
2008	535	142	113	39
2009	280	8	107	23
2010	212	8	59	26
2011	203	2	12	23
2012	251	6	249	26
2013	329	4	16	30
2014	331	14	0	44
2015	331	20	158	29
2016	256	86	135	18

SOURCE: COMPILED FROM COUNTY BUILDING DEPARTMENTS BY THE HAWAII STATE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM.

## 8.1.5

## LOW INCOME RENTAL HOUSING AFFORDABILITY BY COUNTY

	Maui County	Hawai'i County	Honolulu County	Kaua'i County	State
<b>Housing Wage</b>					
Hourly wage necessary to afford 2 bedroom FMR	\$24.73	\$22.96	\$38.17	\$23.81	\$34.22
<b>Housing Cost</b>					
2 bedroom FMR	\$1,286	\$1,194	\$1,985	\$1,238	\$1,780
Income needed to afford 2 bedroom FMR	\$51,440	\$47,760	\$79,400	\$49,520	\$71,184
Full-time jobs at minimum wage to afford 2 bedroom FMR	2.9	2.7	4.5	2.8	4.0
<b>Area Median Income (AMI)</b>					
Annual AMI	\$81,500	\$57,600	\$87,900	\$74,300	\$82,123
Rent affordable at AMI	\$2,037	\$1,440	\$2,197	\$1,857	\$2,053
30% of AMI	\$24,450	\$17,280	\$26,370	\$22,290	\$24,637
Rent affordable at 30% of AMI	\$611	\$432	\$659	\$557	\$616
<b>Renter Households</b>					
Number	22,691	22,101	139,799	8,349	192,984
% of total households	43%	34%	45%	37%	43%
Estimated mean renter hourly wage	\$13.41	\$10.45	\$15.39	\$13.52	\$14.53
Rent affordable at mean wage	\$697	\$543	\$800	\$703	\$755
Full time jobs at mean renter wage needed to afford 2 bedroom FMR	1.9	2.2	2.5	1.8	2.4

FMR: Fair Market Rent, calculated by the U.S. Department of Housing and Urban Development.

SOURCE: NATIONAL LOW INCOME HOUSING COALITION, OUT OF REACH 2016.

## 8.1.6

**PLANNED ADDITIONS TO AND SUBTRACTIONS  
FROM MAUI VISITOR INDUSTRY PLANT SUPPLY**

Name of Facility	Planned Type	Planned Units	Estimated Completion
Maui Palms Expansion	Hotel	101	NA
Maui Lu Timeshare	Timeshare	388	2019
Kamaole Heights	Hotel / Condo	24	NA
Kula Lodge	Hotel	15	NA
Honua'ula a.k.a Wailea 670	Mixed Use	1,150	NA
Westin Kā'anapali Ocean Resort III	Timeshare	390	NA
Kapalua Project, District 2-Kapalua Mauka	Mixed Use	690	NA
Villas at Royal Lahaina	Condo / Hotel	126	NA
Grand Wailea Resort Expansion	Hotel	310	NA
Piilani Suites	Hotel	200	2017
Maui Research & Tech Park	Mixed Use / Hotel	150	NA
Down Town Kihei	Mixed Use / Hotel	150	2018
Nani Loa Condominium Hotel	Condo/Hotel	39	2020
Wada Commercial Bldg. & Hotel	Mixed Use / Hotel	8	NA
Bed and Breakfasts	B&B	109	NA
Short term rentals	New Class	136	NA
Transient vacation rentals		12	NA

NA: Not available

SOURCE: HAWAII TOURISM AUTHORITY, 2016 VISITOR PLANT INVENTORY; COUNTY OF MAUI DEPARTMENT OF PLANNING.

## 8.1.7

**AVERAGE ANNUAL WAGES FOR CONSTRUCTION INDUSTRIES  
MAUI COUNTY, 2015**

Industry	Number of Establishments	Number of Employees	Total Wages	Average Annual Wages
<b>Construction</b>	<b>614</b>	<b>3,727</b>	<b>\$230,955,051</b>	<b>\$61,968</b>
<b>Construction of Buildings</b>	<b>209</b>	<b>1,272</b>	<b>\$80,446,078</b>	<b>\$63,244</b>
Residential	167	714	\$36,812,791	\$51,559
Nonresidential	42	558	\$43,633,287	\$78,196
<b>Heavy and Civil Engineering Construction</b>	<b>40</b>	<b>394</b>	<b>\$35,245,081</b>	<b>\$89,455</b>
Land Subdivision	*	*	*	*
Highway, Street, and Bridge Construction	12	250	\$25,345,771	\$101,383
<b>Specialty Trade Contractors</b>	<b>365</b>	<b>2,061</b>	<b>\$115,263,892</b>	<b>\$55,926</b>
Building Foundation/Exterior Contractors	71	415	\$20,518,898	\$49,443
Building Equipment Contractors	136	1,014	\$65,873,516	\$64,964
Building Finishing Contractors	102	430	\$18,813,313	\$43,752
Other Specialty Trade Contractors	56	202	\$10,058,165	\$49,793

\* Data suppressed due to confidentiality

SOURCE: U.S. BUREAU OF LABOR STATISTICS, QUARTERLY CENSUS OF EMPLOYMENT AND WAGES.

## 8.1.8

## BUILDING PERMITS ISSUED MAUI COUNTY, 2016

Type of Permit	Number of Permits	Number of Units	Valuation
Single family, detached	257	256	\$127,813,215
Single family, attached, no unit over/below	4	8	\$5,993,375
Two family buildings	39	78	\$19,763,070
Three and four family buildings	1	3	\$1,800,000
Five or more family buildings	14	132	\$37,606,130
Amusement and recreational	2	0	\$760,500
Parking garages	10	0	\$1,815,456
Hospital and institutional	1	0	\$75,000
Offices, banks, and professional	6	0	\$2,125,544
Public works and utilities	1	0	\$0
Schools and other educational	4	0	\$376,570
Stores and customer service	17	0	\$40,706,026
Other non-residential	84	0	\$8,650,720
Structures other than bldgs	197	0	\$40,700,554
Residential alterations	302	7	\$30,646,989
Commercial alterations	193	1	\$61,483,894
Additions of garages/carports	32	0	\$2,172,106
Demo-single family homes	28	18	\$283,388
Demo- all other	29	0	\$347,600
Repairs to dwellings	5	0	\$472,600
Repairs to other buildings	49	0	\$4,588,936
Relocate residential buildings	2	0	\$13,000
Relocated garages	1	0	\$100
Fences, retaining walls, seawalls	85	0	\$9,317,789
Temporary structures	64	0	\$315,665
<b>Total</b>	<b>1,427</b>	<b>503</b>	<b>\$397,828,227</b>

SOURCE: COUNTY OF MAUI, DEVELOPMENT SERVICES ADMINISTRATION, BUILDING PERMIT SECTION.

## 8.1.9

**CONSTRUCTION ESTABLISHMENTS  
BY TYPE AND LOCATION, MAUI COUNTY, 2015**

<b>Establishment Type</b>						
	<b>Location</b>	<b>Number</b>	<b>Location</b>	<b>Number</b>	<b>Location</b>	<b>Number</b>
<b>Residential Building</b>						
	Ha'ikū	10	Lahaina	21	Kaunakakai	4
	Hāna	2	Makawao	17	Kualapu'u	1
	Kahului	10	Pā'ia	3	Lāna'i City	1
	Kīhei	38	Pu'unēnē	3		
	Kula	8	Wailuku	22		
<b>Nonresidential Building</b>						
	Ha'ikū	1	Lahaina	3	Wailuku	6
	Kahului	4	Makawao	3	Kaunakakai	1
	Kula	2	Pu'unēnē	2	Lāna'i City	1
<b>Utility System Construction</b>						
	Ha'ikū	1	Kīhei	1	Wailuku	3
	Kahului	3				
<b>Land Subdivision</b>						
	Kahului	3	Kula	1	Makawao	1
	Kīhei	1	Lahaina	1	Wailuku	1
<b>Heavy and Civil Engineering</b>						
	Kīhei	1	Pu'unēnē	1	Wailuku	2
	Lahaina	1				
<b>Foundation, Structure, and Building Exterior</b>						
	Ha'ikū	5	Kula	4	Pu'unēnē	3
	Kahului	6	Lahaina	4	Wailuku	11
	Kīhei	18	Makawao	5		
<b>Building Equipment</b>						
	Ha'ikū	11	Lahaina	9	Wailuku	21
	Kahului	26	Makawao	11	Ho'olehua	1
	Kīhei	18	Pā'ia	4	Kaunakakai	2
	Kula	5	Pu'unēnē	5	Lāna'i City	1
<b>Building Finishing</b>						
	Ha'ikū	12	Kula	5	Pu'unēnē	4
	Hāna	1	Lahaina	8	Wailuku	18
	Kahului	7	Makawao	11		
	Kīhei	16	Pā'ia	2		
<b>Other Specialty Trade Contractors</b>						
	Ha'ikū	4	Kula	6	Pu'unēnē	4
	Kahului	2	Lahaina	1	Wailuku	9
	Kīhei	9	Makawao	5	Lāna'i City	1

SOURCE: U.S. CENSUS BUREAU, 2015 ZIP CODE BUSINESS PATTERNS.



## 8.2.1

**SUMMARY HOUSING CHARACTERISTICS  
MAUI COUNTY, 2015**

Characteristic	Number	Percent
<b>Total Housing Units</b>	<b>71,712</b>	<b>100.0%</b>
Median number of rooms	4.1	
<b>Occupied Housing Units</b>	<b>52,080</b>	<b>72.6%</b>
Structure built 1990 or later	28,101	39.2%
Structure built before 1940	3,600	5.0%
Lacking complete plumbing	98	0.2%
Lacking complete kitchen	845	1.6%
Lacking telephone service	1,427	2.7%
Moved into unit after 1999	37,432	71.9%
Moved into unit before 1980	4,381	8.4%
Occupants per room of 1.51 or more	2,106	4.0%
<b>Owner-Occupied Units</b>	<b>30,523</b>	<b>58.6%</b>
Median value	\$569,300	
With a mortgage	20,811	68.2%
Median monthly costs	\$2,225	
Monthly costs were 35% or more of income	8,038	38.8%
Not mortgaged	9,712	31.8%
Median monthly costs	\$441	
<b>Renter-Occupied Units</b>	<b>21,557</b>	<b>41.4%</b>
Median gross rent	\$1,418	
Rent was 35% or more of income	7,958	40.3%

SOURCE: U.S. CENSUS BUREAU, 2015 AMERICAN COMMUNITY SURVEY ONE-YEAR ESTIMATES.

## 8.2.2

**SELECTED HOUSING CHARACTERISTICS  
MAUI COUNTY**

Maui County	2012	2013	2014	2015
<b>All Housing Units</b>	<b>70,763</b>	<b>71,147</b>	<b>71,469</b>	<b>71,712</b>
<b>Units in Structure</b>				
1 unit, detached	39,572	41,523	39,433	39,379
1 unit, attached	5,772	3,620	4,052	4,406
2 to 4 units	6,617	5,741	7,433	6,321
5 to 9 units	4,191	5,828	6,612	4,987
10 or more units	14,532	14,220	13,526	16,221
Mobile home, boat, other	79	215	413	398
Median number of rooms	4.0	4.1	4.1	4.1
<b>Occupied Housing Units</b>	<b>52,120</b>	<b>53,946</b>	<b>54,303</b>	<b>52,080</b>
With 1.01 or more occupants/room	6,087	5,523	5,376	6,462
<b>Vacant Housing Units</b>	<b>18,643</b>	<b>17,201</b>	<b>17,166</b>	<b>19,632</b>
For seasonal use	6,323	8,436	6,552	7,584
Homeowner vacancy rate	0.5	0.7	0.5	1.5
Rental vacancy rate	27.5	21.8	25.3	27.0
<b>Owner-Occupied Units</b>	<b>29,748</b>	<b>31,904</b>	<b>30,931</b>	<b>30,523</b>
Percent of all occupied units	57.1%	59.1%	57.0%	58.6%
Average household size	3.19	2.90	3.13	3.28
<b>Value of Owner-Occupied Units</b>				
Total units	29,748	31,904	30,931	30,523
Less than \$100,000 unit value	1,109	1,302	1,662	623
\$100,000 to \$199,999	2,501	1,486	1,485	1,220
\$200,000 to \$299,999	2,259	3,582	2,478	2,301
\$300,000 to \$499,999	10,316	11,388	8,617	8,304
\$500,000 to \$999,999	11,339	10,467	13,832	15,171
\$1 million or more	2,224	3,679	2,857	2,904
Median value	<b>\$478,900</b>	<b>\$471,800</b>	<b>\$534,100</b>	<b>\$569,300</b>
<b>Renter-Occupied Units</b>	<b>22,372</b>	<b>22,042</b>	<b>23,372</b>	<b>21,557</b>
Percent of all occupied units	42.9%	40.9%	43.0%	41.4%
Average household size	2.70	2.94	2.71	2.87
<b>Gross Rent</b>				
Total renters	20,306	19,869	21,559	19,980
Less than \$500 rent	NA	NA	NA	1,152
\$500 to \$999	4,377	4,603	5,433	4,113
\$1,000 to \$1,499	7,397	7,279	7,381	5,982
\$1,500 or more	7,418	6,915	7,315	8,733
No cash rent	2,066	2,173	1,813	1,577
Median rent	<b>\$1,241</b>	<b>\$1,292</b>	<b>\$1,238</b>	<b>\$1,418</b>

SOURCE: U.S. CENSUS BUREAU, AMERICAN COMMUNITY SURVEY ONE-YEAR ESTIMATES.

## 8.2.3

## HOUSING UNIT CHARACTERISTICS OF CENSUS DESIGNATED PLACES (CDP), MAUI COUNTY

2015	Total Housing Units	Occupied Housing Units	Owner Occupied Units	Renter Occupied Units
<b>Maui Island</b>				
Hai'kū-Pa'uwela CDP	3,346	2,831	1,740	1,091
Hāli'imaile CDP	395	371	236	135
Hāna CDP	536	378	212	166
Kā'anapali CDP	1,858	534	442	92
Kahului CDP	7,913	7,109	4,034	3,075
Kapalua CDP	889	142	109	33
Kēōkea CDP	707	625	455	170
Kīhei CDP	12,456	8,335	3,867	4,468
Kula CDP	2,974	2,808	1,936	872
Lahaina CDP	4,158	3,404	1,705	1,699
Launiupoko CDP	267	196	117	79
Ma'alaea CDP	645	197	131	66
Mahinahina CDP	435	399	323	76
Makawao CDP	2,564	2,286	1,135	1,151
Mākena CDP	137	57	27	30
Nāpili-Honokōwai CDP	4,271	2,807	1,139	1,668
Olinda CDP	543	444	272	172
Olowalu CDP	46	33	24	9
Pā'ia CDP	1,026	785	461	324
Pukalani CDP	3,053	2,804	1,730	1,074
Waihe'e-Waiehu CDP	2,434	2,382	1,857	525
Waikapū CDP	1,107	994	775	219
Wailea CDP	6,119	2,604	1,640	964
Wailuku CDP	6,282	5,754	3,315	2,439
<b>Moloka'i</b>				
Kaunakakai CDP	1,518	1,246	730	516
Kualapu'u CDP	681	586	430	156
Maunaloa CDP	157	119	37	82
Ualapu'e CDP	256	150	96	54
<b>Lāna'i</b>				
Lāna'i City CDP	1,463	1,185	600	585
Manele CDP	61	12	12	0

SOURCE: U.S. CENSUS BUREAU, 2011-2015 AMERICAN COMMUNITY SURVEY FIVE-YEAR ESTIMATES.

## 8.2.4

**VACANT HOUSING UNIT CHARACTERISTICS  
BY CENSUS DESIGNATED PLACE (CDP), MAUI COUNTY**

2015	All Housing Units	Vacant Units	Seasonal, Recreational or Occasional	Homeowner Vacancy Rate	Rental Vacancy Rate
<b>Maui Island</b>					
Hai'kū-Pa'uwela CDP	3,346	515	332	0.0	8.2
Hāli'imaile CDP	395	24	9	0.0	0.0
Hāna CDP	536	158	91	2.3	21.7
Kā'anapali CDP	1,858	1,324	463	6.0	89.8
Kahului CDP	7,913	804	83	0.0	5.6
Kapalua CDP	889	747	407	13.6	88.7
Kēōkea CDP	707	82	26	0.0	10.1
Kīhei CDP	12,456	4,121	1,580	0.0	27.6
Kula CDP	2,974	166	98	0.0	0.0
Lahaina CDP	4,158	754	233	1.3	13.5
Launiupoko CDP	267	71	60	0.0	8.1
Ma'alaea CDP	645	448	195	6.5	76.2
Mahinahina CDP	435	36	19	0.0	0.0
Makawao CDP	2,564	278	140	0.0	2.2
Mākena CDP	137	80	55	3.6	23.1
Nāpili-Honokōwai CDP	4,271	1,464	540	0.0	32.5
Olinda CDP	543	99	45	2.9	19.6
Olowalu CDP	46	13	5	14.3	0.0
Pā'ia CDP	1,026	241	72	2.7	24.8
Pukalani CDP	3,053	249	81	0.0	2.5
Waihe'e-Waiehu CDP	2,434	52	6	0.0	5.4
Waikapū CDP	1,107	113	52	2.3	0.0
Wailea CDP	6,119	3,515	1,311	4.3	67.2
Wailuku CDP	6,282	528	126	0.4	2.8
<b>Moloka'i</b>					
Kaunakakai CDP	1,518	272	62	0.0	12.2
Kualapu'u CDP	681	95	32	0.0	11.4
Maunaloa CDP	157	38	0	0.0	21.9
Ualapu'e CDP	256	106	46	4.0	42.7
<b>Lāna'i</b>					
Lāna'i City CDP	1,463	278	107	1.6	11.3
Manele CDP	61	49	45	0.0	100.0

SOURCE: U.S. CENSUS BUREAU, 2011-2015 AMERICAN COMMUNITY SURVEY FIVE-YEAR ESTIMATES.

## 8.2.5

**OCCUPIED HOUSING UNIT CHARACTERISTICS  
BY CENSUS DESIGNATED PLACE (CDP), MAUI COUNTY**

2015	Occupied Housing Units				Average Household Size	
	All Units	Occupied	By Owner	By Renter	Owner Occupied	Renter Occupied
<b>Maui Island</b>						
Hai'kū-Pa'uwela CDP	3,346	2,831	1,740	1,091	3.06	2.32
Hāli'imaile CDP	395	371	236	135	3.42	2.84
Hāna CDP	536	378	212	166	4.03	2.43
Kā'anapali CDP	1,858	534	442	92	2.18	2.42
Kahului CDP	7,913	7,109	4,034	3,075	4.13	3.30
Kapalua CDP	889	142	109	33	2.09	2.85
Kēōkea CDP	707	625	455	170	3.50	2.10
Kīhei CDP	12,456	8,335	3,867	4,468	2.88	2.51
Kula CDP	2,974	2,808	1,936	872	2.64	2.71
Lahaina CDP	4,158	3,404	1,705	1,699	3.74	3.21
Launiupoko CDP	267	196	117	79	2.75	2.32
Ma'alaea CDP	645	197	131	66	1.57	1.39
Mahinahina CDP	435	399	323	76	2.43	3.05
Makawao CDP	2,564	2,286	1,135	1,151	2.97	2.64
Mākena CDP	137	57	27	30	2.48	2.17
Nāpili-Honokōwai CDP	4,271	2,807	1,139	1,668	2.45	2.35
Oiinda CDP	543	444	272	172	2.60	2.65
Olowalu CDP	46	33	24	9	2.92	2.44
Pā'ia CDP	1,026	785	461	324	3.33	3.10
Pukalani CDP	3,053	2,804	1,730	1,074	3.08	2.56
Waihe'e-Waiehu CDP	2,434	2,382	1,857	525	4.06	3.06
Waikapū CDP	1,107	994	775	219	3.74	3.03
Wailea CDP	6,119	2,604	1,640	964	2.07	2.31
Wailuku CDP	6,282	5,754	3,315	2,439	2.79	2.74
<b>Moloka'i</b>						
Kaunakakai CDP	1,518	1,246	730	516	3.32	2.17
Kualapu'u CDP	681	586	430	156	3.41	3.42
Maunaloa CDP	157	119	37	82	4.05	3.43
Ualapu'e CDP	256	150	96	54	2.24	2.91
<b>Lāna'i</b>						
Lāna'i City CDP	1,463	1,185	600	585	3.18	2.74
Manele CDP	61	12	12	0	1.67	0.00

SOURCE: U.S. CENSUS BUREAU, 2011-2015 AMERICAN COMMUNITY SURVEY FIVE-YEAR ESTIMATES.

## 8.2.6

**OWNER-OCCUPIED HOUSING UNIT VALUES  
BY CENSUS DESIGNATED PLACE (CDP), MAUI COUNTY**

2015	Total	Less than \$100,000	\$100,000 to \$199,000	\$200,000 to \$299,000	\$300,000 to \$499,000	\$500,000 to \$999,000	\$1,000,000 or more
<b>Maui Island</b>							
Hai'kū-Pa'uwela CDP	1,740	87	16	92	291	933	321
Hāli'imaile CDP	236	10	6	44	124	48	4
Hāna CDP	212	14	4	25	88	76	5
Kā'anapali CDP	442	3	0	0	31	192	216
Kahului CDP	4,034	228	120	132	1,755	1,668	131
Kapalua CDP	109	1	0	0	11	31	66
Kēōkea CDP	455	12	36	58	161	124	64
KThei CDP	3,867	67	292	342	1,615	1,378	173
Kula CDP	1,936	43	35	40	309	972	537
Lahaina CDP	1,705	44	73	116	526	839	107
Launiupoko CDP	117	0	3	0	6	20	88
Ma'alaea CDP	131	5	4	11	66	43	2
Mahinahina CDP	323	4	42	40	41	167	29
Makawao CDP	1,135	33	27	60	492	516	7
Mākena CDP	27	1	0	0	0	1	25
Nāpili-Honokōwai CDP	1,139	42	90	172	444	308	83
Olinda CDP	272	0	2	0	18	161	91
Olowalu CDP	24	0	1	0	4	10	9
Pā'ia CDP	461	18	0	27	147	231	38
Pukalani CDP	1,730	44	51	0	438	1,183	14
Waihe'e-Waiehu CDP	1,857	51	170	284	724	586	42
Waikapū CDP	775	18	0	56	347	349	5
Wailea CDP	1,640	30	16	61	210	783	540
Wailuku CDP	3,315	64	241	356	1,232	1,360	62
<b>Moloka'i</b>							
Kaunakakai CDP	730	41	142	179	232	125	11
Kualapu'u CDP	430	77	152	78	65	43	15
Maunaloa CDP	37	0	11	18	6	2	0
Ualapu'e CDP	96	4	38	18	25	7	4
<b>Lāna'i</b>							
Lāna'i City CDP	600	28	65	75	305	115	12
Manele CDP	12	0	0	0	0	0	12

SOURCE: U.S. CENSUS BUREAU, 2011-2015 AMERICAN COMMUNITY SURVEY FIVE-YEAR ESTIMATES.

## 8.2.7

**GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME  
BY CENSUS DESIGNATED PLACE (CDP), MAUI COUNTY**

2015	Total Rentals	Less than 20%	20% to 24.9%	25% to 29.9%	30% to 34.9 %	Over 35%	Not Computed
<b>Maui Island</b>							
Hai'kū-Pa'uwela CDP	862	213	75	239	15	320	229
Hāli'imaile CDP	129	18	24	20	16	51	6
Hāna CDP	131	8	18	18	8	79	35
Kā'anapali CDP	63	15	11	2	9	26	29
Kahului CDP	2,880	739	297	575	310	959	195
Kapalua CDP	27	12	0	4	0	11	6
Kēōkea CDP	135	34	22	0	13	66	35
Kīhei CDP	4,251	807	564	572	429	1,879	217
Kula CDP	782	92	153	46	49	442	90
Lahaina CDP	1,580	417	181	136	144	702	119
Launiupoko CDP	66	19	1	4	16	26	13
Ma'alaea CDP	56	15	7	12	9	13	10
Mahinahina CDP	74	13	14	4	22	21	2
Makawao CDP	1,095	214	148	142	92	499	56
Mākena CDP	11	0	0	11	0	0	19
Nāpili-Honokōwai CDP	1,653	247	228	275	100	803	15
Olinda CDP	157	32	55	7	7	56	15
Olowalu CDP	9	1	3	5	0	0	0
Pā'ia CDP	269	59	60	13	20	117	55
Pukalani CDP	959	300	104	128	35	392	115
Waihe'e-Waiehu CDP	429	84	53	19	91	182	96
Waikapū CDP	219	20	14	39	26	120	0
Wailea CDP	855	78	73	113	54	537	109
Wailuku CDP	2,171	532	346	170	235	888	268
<b>Moloka'i</b>							
Kaunakakai CDP	415	100	61	50	9	195	101
Kualapu'u CDP	116	41	11	10	7	47	40
Maunaloa CDP	71	12	10	2	9	38	11
Ualapu'e CDP	46	12	5	10	4	15	8
<b>Lāna'i</b>							
Lāna'i City CDP	569	232	132	72	25	108	16
Manele CDP	0	0	0	0	0	0	0

SOURCE: U.S. CENSUS BUREAU, 2011-2015 AMERICAN COMMUNITY SURVEY FIVE-YEAR ESTIMATES.

## 8.2.8

**GROSS RENT OF RENTER-OCCUPIED HOUSING UNITS  
BY CENSUS DESIGNATED PLACE (CDP), MAUI COUNTY**

<b>2015</b>	<b>Total</b>	<b>Less than \$500<sup>1</sup></b>	<b>\$500 to \$999</b>	<b>\$1,000 to \$1,499</b>	<b>\$1,500 to \$1,999</b>	<b>\$2,000 to \$2,499</b>	<b>\$2,500 or more</b>
<b>Maui Island</b>							
Hai'kū-Pa'uwela CDP	862	229	233	254	235	93	47
Hāli'imaile CDP	129	6	43	45	25	13	3
Hāna CDP	131	35	72	51	8	0	0
Kā'anapali CDP	66	26	0	6	16	16	28
Kahului CDP	2,906	408	870	1,026	507	205	59
Kapalua CDP	27	6	2	0	6	7	12
Kēōkea CDP	135	38	16	92	14	4	6
Kīhei CDP	4,304	349	592	1,752	1,037	491	247
Kula CDP	825	62	154	317	227	48	64
Lahaina CDP	1,585	265	367	551	299	80	137
Launiupoko CDP	66	13	9	2	5	9	41
Ma'alaea CDP	57	10	1	35	12	2	6
Mahinahina CDP	74	2	0	14	18	20	22
Makawao CDP	1,095	103	222	539	163	101	23
Mākena CDP	11	19	11	0	0	0	0
Nāpili-Honokōwai CDP	1,668	79	100	745	567	110	67
Olinda CDP	157	15	19	40	34	31	33
Olowalu CDP	9	0	6	3	0	0	0
Pā'ia CDP	274	50	14	84	47	78	51
Pukalani CDP	959	115	115	546	136	125	37
Waihe'e-Waiehu CDP	447	192	15	124	141	6	47
Waikapū CDP	219	5	22	61	40	28	63
Wailea CDP	905	68	71	161	343	134	187
Wailuku CDP	2,184	338	995	491	351	200	64
<b>Moloka'i</b>							
Kaunakakai CDP	429	175	199	118	24	0	0
Kualapu'u CDP	116	45	21	47	40	3	0
Maunaloa CDP	76	18	49	15	0	0	0
Ualapu'e CDP	46	11	26	12	2	3	0
<b>Lāna'i</b>							
Lāna'i City CDP	569	44	277	211	53	0	0
Manele CDP	0	0	0	0	0	0	0

1. Includes no cash rent.

SOURCE: U.S. CENSUS BUREAU, 2011-2015 AMERICAN COMMUNITY SURVEY FIVE-YEAR ESTIMATES.



## 8.2.9

**SELECTED MONTHLY OWNER AND RENTER COST  
AS A PERCENTAGE OF HOUSEHOLD INCOME  
MAUI COUNTY**

	2012	2013	2014	2015
<b>Owner</b>				
Housing units with a mortgage	19,848	20,873	21,160	20,728
Less than 20% of income	3,841	5,120	4,815	6,239
20% to 24.9%	2,274	3,333	3,147	2,696
25% to 29.9%	2,565	2,075	3,542	2,210
30% to 34.9%	2,467	1,208	1,676	1,545
35% or more	8,701	9,137	7,980	8,038
Not computed	17	112	155	83
Median mortgage (dollars)	\$2,325	\$2,261	\$2,164	\$2,225
<b>Renter</b>				
Renter-occupied units	20,067	19,418	21,326	19,756
Less than 15% of income	1,280	2,512	2,483	2,188
15% to 19.9%	2,277	3,020	1,767	2,655
20% to 24.9%	3,190	2,684	2,082	2,481
25% to 29.9%	2,911	2,119	4,182	2,420
30% to 34.9%	1,638	1,697	1,996	2,054
35% or more	8,771	7,386	8,816	7,958
Not computed	2,305	2,624	2,046	1,801
Median rent (dollars)	\$1,241	\$1,292	\$1,238	\$1,418

SOURCE: U.S. CENSUS BUREAU, AMERICAN COMMUNITY SURVEY ONE-YEAR ESTIMATES.

## 8.2.10

### FORECLOSURE FILINGS BY JUDICIAL CIRCUIT

Year	Maui County <sup>1</sup>	Hawai'i County	City & County of Honolulu	Kaua'i County	State Total
1995	317	293	1,204	143	1,957
1996	464	352	1,828	156	2,800
1997	421	362	2,205	160	3,148
1998	422	359	2,662	183	3,626
1999	324	339	2,135	136	2,934
2000	228	251	1,591	83	2,153
2001	197	246	1,390	80	1,913
2002	110	151	624	63	948
2003	78	112	396	35	621
2004	51	80	283	23	437
2005	47	51	198	12	308
2006	59	105	266	23	453
2007	101	188	395	34	718
2008	254	359	666	84	1,363
2009	386	488	786	140	1,800
2010	280	316	611	93	1,300
2011	571	750	1,171	165	2,657
2012	678	860	1,505	145	3,188
2013	728	961	1,504	229	3,422
2014	397	543	1,026	118	2,084
2015	357	525	861	83	1,826

1. The Maui County Judicial Circuit includes Kalawao on Moloka'i.

SOURCE: HAWAII STATE JUDICIARY, OFFICE OF THE ADMINISTRATIVE DIRECTOR OF THE COURTS, STATISTICS OFFICE.

Property Tax Reforms That Can Create More Rental Housing, Raise Revenue for Affordable Housing and Other Critical Needs, While Increasing Fairness

Testimony to the County Council for its May 11, 2018 Hearing on Property Tax Classes and Rates

1. Aloha kakou. Mahalo for providing this opportunity to suggest some property tax policy reforms for your consideration. Mahalo also for the countless hours you and your staff put into the budget process.
2. My name is Michael Williams. My wife and I are farmers in Kula. We have lived on Maui full time for 4 years, and intend to live on this island till we die. I serve on the Board of Maui Tomorrow Foundation, where I am the chair of its Affordable Housing and Energy Committees. I speak here only for myself, and not for the organization.
3. **The basic concept:** Maui County has always given a substantial tax break, or “subsidy”, to homes occupied by residents who own them. I think the same tax break should be given to homes occupied by residents who rent them. At the same time, investors who own homes here which are not occupied by local residents should be contributing more to funding the creation of affordable homes here.
4. **The fastest way to create more houses available for residents to rent is to incentivize investment home owners to rent those homes long term to locals.** If property taxes are significantly lowered for homeowners who rent long term to residents, and significantly increased on homes held vacant or used for short term stays by owners or their guests, many investment home owners may choose to put their homes into the long term rental market.
5. **One beneficial side effect of this change would be to raise property taxes on any investment home owner now breaking the law with illegal short term renters.** Such investors will be paying more in property taxes, regardless of the effectiveness of county enforcement efforts, under my proposal.
6. **This policy change should apply to every dwelling unit in the County,** whether classified now as Apartments, legal Short Term Rentals, Residential, Ag, or Conservation. For the latter two property classes, the taxes should be raised only on the buildings, not the land. There need be no change in how ag land or conservation land is taxed.
7. **The RPT staff have not released any public data on how many total housing units there are in the county—many Homeowner and Residential parcels have two housing units, but the number of such parcels in each class is unknowable to the public. There is also no publicly available count of the number of housing units currently rented long term to residents.** But I believe the RPT staff could compile this data if the Council asked for it.
8. The current policy to reward owners of homes occupied by residents who own them is enforced with a simple one page application form, backed up by proof of residency with proof of filing of a Hawaii state income tax return for the prior year. This form can be easily modified to require proof that a renter is a resident. **Enforcement of the residency requirement would be no more difficult for occupants who rent than it is now for occupants who own.** I have attached a copy of the current residency form.
9. Because **many parcels in the Homeowner class have an ‘ohana or second dwelling rented long term to residents,** those home owners should get an additional tax break beyond the Homeowner tax break.

10. To summarize, I propose the County should create two new classes of parcels with long term resident renters: a) any parcel not in the Homeowner class which has a housing unit occupied by long term resident renters, and b) any parcel in the Homeowner class which has a second housing unit occupied by long term resident renters.
11. The best data I could find on the number of long term rental housing units in the county is from the Maui County Data Book for 2016. I attach a copy of its chapter on housing. This 2015 data comes straight from the US Census. I know of no better or more recent data. Table 8.2.2 says that in 2015 there were 71,712 total housing units, made up of 30,523 owner-occupied units, 21,557 resident-renter units, and 19,632 vacant housing units. What we can't tell from this data, nor from any County data I can find, is how many of these rental units are 'ohanas on parcels in the Homeowner class, and how many are long term rental units in the other property classes with housing units (Residential, Apartments, Short Term Rentals, Ag, and Conservation).
12. The most recent RPT data on the parcel count in each of these classes is summarized in the handout to the Council titled "Selected Real Property Statistics for Budget Consideration", in the table on p. 4, under "Class Count":

Residential	10,760
Apartment	9,363
Short Term Rental	11,311
Homeowner	25,765
Ag	9,022
Conservation	<u>1,153</u>
 Total	 67,374 parcels

13. Using the 2015 census data, scattered among those 67,000 parcels are about 22,000 housing units rented long term to residents. If for now we assume half of these rental homes are in the Residential and Apartment classes, and half are second units on Homeowner parcels, then the number of parcels to get the new rental tax subsidy would be about 5500 Residential, 5500 Apartment parcels, and 11,000 Homeowner parcels.

**Calculating the rough amounts of the dollar value of these policy changes.**

14. The tax rate for Residential is proposed at 5.52, and for Apartment it's 6.31. The total revenue from those two classes, under the Budget Chair's rates, are \$43 million and \$41 million (also from the table on p 4).
15. Cutting the rate to the Homeowner rate for those 11,000 parcels would roughly cost the proportional difference between the current rate for each class and the homeowner rate of 2.85, or  $(5.52-2.85=2.67)/5.52=48\%$  reduction in revenue from the Residential class on the 5500 rental units, and  $(6.31-2.85=3.46)/6.31=55\%$  reduction in revenue from the Apartment class on the 5500 rental units.
16. But since only  $5500/10,760=51\%$  of those Residential parcels would get the tax break, the actual reduction in revenue from the Residential class would be  $0.51 \times 0.48 = 25\%$  reduction in revenue, or  $\$43 \text{ million} / 4 = \$10,750,000$ .
17. A similar calculation for the Apartment class:  $5500/9,363=59\%$  of those parcels would get the new tax break, so the actual reduction in revenue from the Apartment class would be  $0.59 \times 0.55 = 32\%$  reduction in revenue, or  $\$41 \text{ million} / 3 = \$10,333,000$ .

18. Finally, we need to estimate the revenue reduction due to a new lower tax rate on Homeowner parcels where a second unit is a rental. For simplicity's sake, let's assume the Council gives a 25% lower rate on such parcels. Then the gross change in revenue would be  $0.25 \times (11,000/25,765=43\%)$  or a 10.75% reduction in revenue, roughly  $0.1075 \times \$33$  million, or about \$3.5 million.
19. Thus, on these assumptions of what parcels have rental units and the size of their new subsidized rates, the new rental tax subsidy would be about \$25 million.
20. In order to pay for this new subsidy, and to raise an additional, say, \$10 million per year for the Affordable Housing Fund, the rates on parcels in the Residential, Apartment and Short Term Rental classes would be raised enough to generate \$35,000,000 from higher taxes on investor-owned homes which are not occupied by residents. On the assumptions here, there are 5200 such parcels in Residential, 4800 Apartment parcels, and 11,301 condos (Short Term Rentals) on which taxes must be raised. With 21,301 "vacant" parcels, in order to raise an additional \$35 million, each parcel would pay about  $(35,000,000/21,301=\$1,643)$  per year per parcel. Assuming those parcels are worth about \$700,000 each on average, they would have their taxes raised by  $\$1643/\$700,000 = \$2.35/\$1000$ . Again then, on these assumptions, the new rates on the investor parcels would be \$7.87 for Residential parcels with no resident renters, and \$8.66 for Apartment parcels with no resident renters. The new rate on Short Term Rentals (almost all of these are condos) with no resident renters would rise to \$11.63.
21. I have made several simplifying assumptions about the distribution of the 22,000 rental units among the different classes of parcels with dwelling units—once the Council gets the actual count and distribution, these calculations can be quickly refined. One simplification is that I am not proposing any exemption amount for resident rental homes—the Council may want to do that. Another is that I have ignored the likelihood that there are some housing units rented to residents on parcels in the Ag and Conservation classes I just want to show that the dollar amounts of rate cuts to create the new rental housing subsidy, and the dollar amounts of rate raises to pay for it plus a boost to the Affordable Housing Fund, are reasonable.
22. In summary, I am suggesting that the County's real property tax policies be changed to reward all home owners who rent a housing unit long term to residents, and pay for that new subsidy plus a contribution to the affordable housing Fund, by raising rates on investor owned homes that are not available to residents to rent. I think there is a good chance such a policy change will result in more existing housing stock going on the rental market, and I think it is fair to charge higher property tax rates to wealthy investors who choose not to make their homes available to help with the rental housing shortage.

Mahalo for your consideration.

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