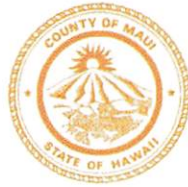


RICHARD T. BISSEN, JR.
Mayor

MARIA ZIELINSKI
Acting Director



DEPARTMENT OF FINANCE
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

April 19, 2024

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OFFICE OF THE
COUNTY CLERK

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

() APPROVED () DISAPPROVED
Richard T. Bissen 4-19-24
DATE

For Transmittal to:

Honorable Alice Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

**SUBJECT: A PROPOSED BILL FOR AN ORDINANCE AMENDING
CHAPTER 3.48.551, MAUI COUNTY CODE, RELATING TO THE
AUGUST 2023 MAUI WILDFIRES LONG-TERM RENTAL
EXEMPTION**

Attached is a proposed bill for an ordinance to amend Maui County Code 3.48.551. The proposed bill has an application deadline of June 30, 2024. Therefore, I respectfully request your prompt attention.

Maui County Code 3.48.551 was created by Ordinance 5589 Bill 131, FD2 (2023) to provide a real property tax incentive to property owners who rent to those displaced by the August 8, 2023 Wildfire for at least one year. The program was well received. To date, the Real Property Assessment Division has received 1,388 timely applications.

Unfortunately, the division has received about 50 applications after the March 15, 2024 deadline. In addition, the division has become aware of leases that were effective shortly after the

Honorable Alice Lee, Chair and Members

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March deadline. Due to the continued need for long-term housing solutions, the proposed bill extends the application period for the exemption through June 30, 2024.

Should this bill pass, it will impact fiscal year 2024-2025 revenue. While the exemptions will not be accounted for in the April 19, 2024 certified revenue estimate, they can be considered in the final budget if this bill passes soon. The division is estimating that an additional 70 properties will qualify for the exemption if the deadline is extended. With an average cost per parcel of about \$8,400, extending the deadline to include more properties is estimated to cost between \$550,000 to \$650,000 in real property tax revenue.

Should you have any questions, please feel free to contact me at (808) 270-7212.

Sincerely,

A handwritten signature in black ink that reads "Maria Zielinski". The signature is written in a cursive style with a large, looping initial "M".

MARIA ZIELINSKI
Acting Director of Finance

Attachments