

## EDB Committee

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**From:** Ashish Garg <ashish2.garg@gmail.com>  
**Sent:** Wednesday, May 01, 2019 6:44 AM  
**To:** Keani N. Rawlins; EDB Committee  
**Subject:** Maui County Budget Hearings - I support fair tax rates

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

I write to express my concerns over increasing our property tax rates.

As you are aware, current Short Term Rental Tax Rates are \$9.28/\$1000, the third highest rate only exceeded by Hotel and Time Share rates. These already high rates are exacerbated by escalating property values that are in many cases in excess of what the property can bring on the open market. So, not only are the current tax rates very high, but they are being applied on an unreasonable value.

In the past several years tax valuations have greatly increased. Adding another 66% increase for this segment is an unfair burden on us, and puts the entire short term rental industry in jeopardy. Such moves are very likely to reduce the value of these very properties which then reduces the tax revenues received.

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

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

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

**If the taxes increase, we will be forced to sell our beautiful home and never able to visit Maui. Many of our friends are in the same boat.**

**We sincerely hope you will NOT burden people like us.**

Thanks  
Ashish

## EDB Committee

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**From:** Con Nguyen <connguyen12@gmail.com>  
**Sent:** Wednesday, May 01, 2019 3:45 PM  
**To:** EDB Committee  
**Subject:** Property Tax

Dear County of Maui

Please reconsider your plan to increase up to 60% of rental properties to for the budget next year and future due to these reasons :

1. Rate increase will lead to property value decrease, therefore, the tax revenues will be less or the same.
2. Event worse than current because property owners, most elderly, will not have extra income to pay for other high cost of utilities and maintenance. Result, market will dead and no one could afford Maui properties.
3. Jobs, businesses will be dead in water.

Thanks for your consideration.

Con Nguyen  
CN

## EDB Committee

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**From:** Debbie Lemos <debbie.lemos@gmail.com>  
**Sent:** Wednesday, May 01, 2019 11:12 AM  
**To:** EDB Committee  
**Subject:** real property tax rate increase

i am writing to briefly express my shock and concern about the incredible proposals to increase the tax rate by over 60%. as reported in the maui news on march 7 of this year, maui's " growth tapered down to less than 2 percent in the second half of the year (2018)" and further, "two tourism reports for January indicate a softening of the Maui market with visitor spending down nearly 14 percent from last January and hotel revenue and average daily rates off across the board. " and the article went on discussing the many negative trends in maui's tourism in the recent months. so please explain to me how this HUGE tax increase makes sense. this will force many homeowners to sell their condos and homes because they cannot afford this drastic increase in taxes. - or perhaps that is your plan? but then, where will the tourists stay once these short term rentals have been sold? and also understand that the homeowners' will pass on the tax increases by raising prices. i beg you to comprehend that maui's economy is reliant on tourists, and you will be pricing them out of the market. they will no longer spend their money in maui. and then how will the local residents find jobs ? and how will you pay for the benefits to those local residents? i think you would be unwise to bite the hands that feed you.... do not be so blind and naive that you think you can simply increase these taxes without serious negative consequences to the local economy.

i will appreciate your response

thank you

debbie lemos

## **EDB Committee**

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**From:** Roger and Hazel Finato <rfinato@me.com>  
**Sent:** Wednesday, May 01, 2019 3:47 PM  
**To:** EDB Committee  
**Subject:** Proposed Property Tax Increase

It has been brought to our attention that the Maui City Council is proposing to increase tax rates for hotels/resorts classification from \$9.37 per thousand to \$15.41 per thousand, an increase of 64-1/2%. I have yet to see any justification for any increase, much less a mafia style hit. An increase of this amount borders on criminal, and I would fully expect to be bombarded with lawsuits.

By increasing property taxes to this outrageous level, you will negatively affect many property owners in Maui. Placing such a burden on individuals that support our beautiful island by renting their units to vacationers every day, may force them to sell at drastic reductions and reduce overall assessment values to properties throughout Maui. Another option for many of us, may be to take our properties out of rental entirely and thereby change our tax classification and reduce your income.

It would be interesting to know what basis you have to increase taxes for people by a rate of 64-66%? Is this taxation without representation because you know these people are predominately mainland owners? At the same time you propose to reduce rates for homeowners and residents, the people that vote for you, from their already very low levels. You should be ashamed of yourselves for even considering such a plan.

You'd better find a large venue to hold your meeting. It is likely to be chaos.

Hazel and Roger Finato

## **EDB Committee**

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**From:** Jamie Goehring <jamie@lighthousepictures.ca>  
**Sent:** Wednesday, May 01, 2019 9:49 AM  
**To:** EDB Committee; Keani N. Rawlins  
**Subject:** Short Term Rental Tax Hikes

Short Term Rental Tax Hikes

RE: Maui County Budget Hearings - I support fair tax rates

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

As you are aware, current Short Term Rental Tax Rates are \$9.28/\$1000, the third highest rate only exceeded by Hotel and Time Share rates. These already high rates are exacerbated by escalating property values that are in many cases in excess of what the property can bring on the open market. So, not only are the current tax rates very high, but they are being applied on an unreasonable value.

In the past several years tax valuations have greatly increased. Adding another 66% increase for this segment is an unfair burden on us, and puts the entire short term rental industry in jeopardy. Such moves are very likely to reduce the value of these very properties which then reduces the tax revenues received.

Please understand, this is not property used as a hotel or time share, it is our second home. We live on Maui 1 to 3 months each year (and plan to be in Maui up to 6month a year in the near future), and have created many new friendships, and participate in fundraising and other community benefit activities. We love Maui and wish it to prosper for everyone, but this is placing an excessive burden on a select group of people. Short Term Rental property already comprises 25% of real property tax revenue.

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

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

Last, not only do we enjoy our home ourselves and provide it for Short Term Vacation Rentals, but we also host numerous friends and family every year at our place. Like us, these friends and family contribute to the local economy of Lahaina when they come visit us in Maui.

Thank you for your attention to this – taxes are inevitable, however, this Council proposal is entirely excessive in our opinion!

Sincerely,  
Jamie Goehring

## **EDB Committee**

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**From:** Jean Pokipala <jeanpokipala@gmail.com>  
**Sent:** Wednesday, May 01, 2019 6:37 PM  
**To:** EDB Committee  
**Subject:** EDB-1 Requesting to support funding

Council Chair King and Councilmembers,

Maui Economic Opportunity, Inc. (MEO) is a private nonprofit Community Action Agency (CAA) established in 1965 under the Economic Opportunity Act of 1964. MEO is part of a national anti-poverty community action network of more than 1,000 agencies. In the fiscal year ending 2017, MEO served more than 14,000 individuals and 4,000 families.

MEO's mission is to strengthen the community while helping people in need restore their hope, reach their potential and enrich their lives. This program and staff are one of many that has helped my daughter and I maintain hope by helping with our first months deposit and other tools to maintain a healthy home environment.

I am requesting to continue funding in support for MEO.

Thank you,

Jean Pokipala

Sent from my iPhone

## **EDB Committee**

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**From:** Joan O'Lear <onemaugirl@att.net>  
**Sent:** Wednesday, May 01, 2019 3:43 PM  
**To:** EDB Committee  
**Cc:** Yukilei Sugimura; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Riki Hokama  
**Subject:** Fw: Owner Alert - Maui Short Term Rental Property Tax Hikes

Aloha,

We are not going to send you the information and "example" letter. We just want to let you know short and sweet...We am not in favor of the short term rental tax hike!

We have owned our condo for several years and use it as a 2nd home. We attend the local church. I volunteer in the upcountry Haku Baldwin Horse Center, support most of the local fundraisers, and am very engaged in giving back to the island that we love so much!

My husband and I are on a fixed income, and this would be a hardship for us. Please do not do this to us.

I know taxes provide services for the people and infrastructure of Maui, but I think we pay enough already.

I hope you take this into consideration. I just read in the Maui News that some profits had dropped. Perhaps that is because the owners of condos (and not time shares) are having to raise the already expensive rent on their properties.

Sincerely,

Joan and Michael O'Lear  
owners of Kuleana 716  
3959 L. Honoapiilani  
Lahaina, HI

*Joan Marie O'Lear*

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## **EDB Committee**

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**From:** Linda Manry <linda99x@gmail.com>  
**Sent:** Wednesday, May 01, 2019 3:48 PM  
**To:** EDB Committee  
**Subject:** Council's Proposed Property Tax Increase

I urge all council members to vote with the Mayor's proposed FY20 property tax rates, and against the Council's proposal.

Infrastructure and community needs should be funded by all residents and visitors alike. I agree there are genuine needs but I believe all rates should be raised evenly to the amount necessary to meet the need. That would spread the burden evenly on everyone, which is fair.

My husband and I have owned two Wailea Ekahi condos for 18 years. The possibility of a 60% tax increase has us considering selling or removing them from rental, keeping them for our personal use. Either way, the jobs these units currently generate for my property manager, including cleaning staff, concierge, marketing, accounting, reservations, and others will go away, as will two apartments' worth of Maui visitor accommodations. I would be happy to go through the financial scenario of how hard it is to keep an individually owned viable rental property on Maui should you wish to inquire.

If some County needs are usage based, then specific usage tax or fees should be considered.

The only way the Council's proposal would actually increase affordable housing will be if condo property owns like myself flood the market, driving prices downward. This would result in lower property valuations, reducing tax revenues no matter what the rate.

Property tax is only one way to achieve increased County revenues. I encourage careful thinking and social fairness from the Council in the future.

Linda Manry

## **EDB Committee**

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**From:** Mark Steigmeyer <marksteigmeyer@gmail.com>  
**Sent:** Wednesday, May 01, 2019 1:11 PM  
**To:** EDB Committee  
**Subject:** Opposed to Short Term Rental Tax Hikes

Dear Committee,

I am an owner of a rental unit at the Sands of Kahana resort. I would like to voice my serious concerns over the proposed tax rate hike. Although I rent this unit when I'm not there, the main purpose of this unit is to serve as a second home. I believe this rate hike is unfairly treating owners such as myself. Please reconsider the implementation of this rate hike.

Sincerely,  
Mark Steigmeyer

## EDB Committee

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**From:** Samir Malek <sammalek24@aol.com>  
**Sent:** Wednesday, May 01, 2019 5:31 PM  
**To:** EDB Committee  
**Subject:** Proposed real estate tax increases

I am an owner of a condominium that is under the category of Hotels, and I am paying currently over \$18,000 in real estate taxes. Under the new outrageous increase proposal that number will exceed \$28,000 per year. Under these circumstances the county will drive away hotel unit owners to other properties in or out of state as no one can afford such a massive increase.

I strongly oppose such increase as we are struggling right now to cope with the existing amount.

Samir F Malek  
50 Nohea Kai Drive  
Unit # 2-1101  
lahaina, HI 96761

Sent from my iPad