

## AH Committee

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**From:** David, Maile <Maile.David@hawaiiicounty.gov>  
**Sent:** Wednesday, March 16, 2022 12:32 PM  
**To:** AH Committee  
**Cc:** Chung, Aaron; Sako, Deanna; Kunz, Susan; Hirota, Sharon L  
**Subject:** Response to Chair Johnson's request Re: Bill 111 (D4)  
**Attachments:** 3-16-22 Gabe Johnson.pdf

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*Aloha Committee Chair Johnson. Attached per your request is a letter signed by myself and Vice-Chair Chung containing responses to the five specific questions regarding Bill 111 (D4) which you note could be an exemplar for Maui County's Comprehensive Affordable Housing Plan: Expanding Affordable Housing. If you need further assistance, please do not hesitate to contact us. Mahalo a nui loa.*

*Maile*

Maile Medeiros David, Chair  
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## HAWAI'I COUNTY COUNCIL

County of Hawai'i  
West Hawai'i Civic Center, Bldg. A  
74-5044 Ane Keohokalole Hwy.  
Kailua-Kona, Hawai'i 96740

March 15, 2022

Gabe Johnson, Chair  
Affordable Housing Committee  
Maui County Council  
200 S. High Street  
Wailuku, Maui, Hawai'i 96793

Via: email: [ah.committee@mauicounty.us](mailto:ah.committee@mauicounty.us)

Aloha Chair Johnson:

Mahalo a nui loa for your letter dated March 8, 2022 requesting information regarding Bill 111 (D4), introduced by Vice-Chair Chung and duly approved by the Hawai'i County Council at its Second and Final Reading on March 9, 2022. This legislation amends subsection (f) of Chapter 19, article 11, section 19-90, of the Hawai'i County Code 1983 (2016 Edition, as amended) relating to "Residential tax rate tiers."

Responses to your five questions are as follows:

**1. Please explain how the proposed legislation will be implemented.**

Implementation will be handled by the Office of Housing & Community Development (OHCD) (Housing Administrator, Susan Kunz) and its Homeless program (Coordinator, Sharon Hirota). For the period from the effective date of the ordinance (July 1, 2022) until it sunsets on June 30, 2027, unless otherwise amended by ordinance, periodic reports to the council will be provided by OHCD and/or the County Department of Finance. Funds allocated are intended to address homelessness through collaboration among the council and administration. During the implementation period, input as to types of programs and measurables are open to recommendations from councilmembers through appropriate legislation.

**2. What is the projected amount needed to fund the "County-sponsored programs to address homelessness" referenced in the Bill?**

Amount fluctuates based on residential property valuations. Initially, the fee for last year was about \$7 to \$7.5 million, so that amount would be the 75% portion at that time. The

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budget submitted on March 1, 2022 for fiscal year 2022-23, included \$9 million under homelessness, funded through this measure.

**3. Please list the factors that determine this amount.**

Bill 111(D4) creates the funding source utilizing the Residential class, that has a tax rate of \$11.10, and a tier two higher rate of \$13.60 (on amounts over \$2 million dollars per parcel). The extra \$2.50 of the revenue or, the difference between \$11.10 (residential tax rate) and \$13.50 (residential tax rate on parcels over \$2 million), Bill 111, D4 allows no less than 75% of the total additional annual revenue, be directed to the homelessness account.

**4. How much of that money is anticipated to be derived from real property taxes?**

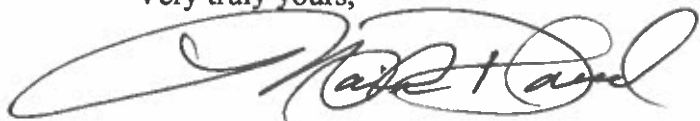
One hundred percent will be derived from real property taxes as described above.

**5. How much will real property taxes need to be raised in order to fund the program, if at all?**

None.

I hope the above adequately responds to your inquiries. Should you have any further questions, please feel free to contact my office. Mahalo a nui loa.

Very truly yours,



Maile Medeiros David, Chair  
Hawai'i County Council



Aaron Chung, Vice-Chair  
Hawai'i County Council

MMD; AC/dmm

cc: Deanna Sako, Director of Finance  
Susan Kunz, Administrator (OHCD)  
Sharon Hirota, Homeless Program Coordinator