

# Budget, Finance, and Economic Development Committee (2023-2025) on 2023-04-26 9:00 AM

Meeting Time: 04-26-23 09:00

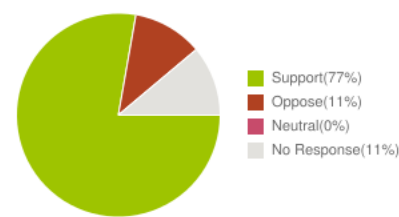
## eComments Report

Meetings	Meeting Time	Agenda Items	Comments	Support	Oppose	Neutral
Budget, Finance, and Economic Development Committee (2023-2025) on 2023-04-26 9:00 AM	04-26-23 09:00	2	18	14	2	0

### Sentiments for All Meetings

The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

#### Overall Sentiment

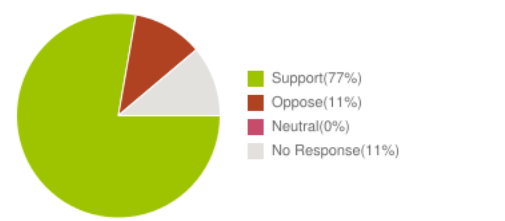


Agenda Name	Comments	Support	Oppose	Neutral
A G E N D A	4	0	2	0
BFED-1 FY 2024 PROPOSED FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI (BFED-1)	14	14	0	0

Sentiments for All Agenda Items

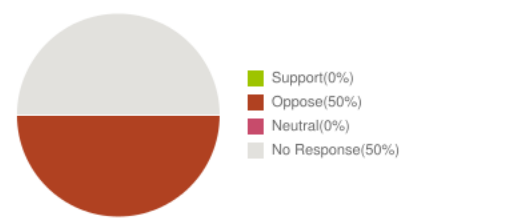
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Overall Sentiment



Agenda Item: eComments for A G E N D A

Overall Sentiment



Guest User

Location:  
Submitted At: 9:05am 04-26-23

Aloha Council Members,

I am a local, born and raised resident currently working hard at finding a home for my family to purchase that will NOT require me to feel like I am forced to live there for 20+ years with restrictions. I do NOT agree with putting funds to implement Bills 111 & 107.

Bill 111 will do more harm to us locals than good:

- The deed restriction is way too long and excessive.
- The current AMI does not make sense with the realities of income here in Maui County
- Having a waitlist will create another can of worms including adding extra costs to maintain it, time, and another headache. JUST LOOK AT THE DHHL WAITLIST and how many Native Hawaiians are on there waiting for a home.

- The adjustments in pricing that Bill 107 wants to implement can disincentivize developers as costs and labor have increased tremendously.
- timelines for sale in 111 should be scaled back to the origins of 2.96 as the carry risk is great for developers; time is money

What the funding could potentially be used for:

- Supplement or combat prevailing interest rates
- Buy down points in 100% AFH developments to help bring costs down

To conclude I do not agree with the council moving to fund the implementation of these bills as the policies can cause more harm than do good as stated above and keep residents from purchasing homes.

Mahalo!

### Guest User

Location:

Submitted At: 8:08am 04-26-23

My name is Tatiana Medeiros and I am the Broker In Charge for Fine Island Properties. I am also currently one of the Realtors that is working on the Hale Kaiola Project.

The current AMI bracket that the County Of Maui is using is broken. The average person that works in Maui County does not qualify for Workforce Housing under the current AMI bracket. First responders, teachers and county workers do not qualify for Workforce Housing under the current AMI bracket being used. I find this heartbreaking.

How can those with respectable careers not afford to buy a home in the County they work in?

Unless Maui County is going to increase pay, the AMI Brackets currently being used will never help the people of Maui.

Having a long term deed restrictions are excessive. No one knows what their life will look like in 15+ years. The long term deed restrictions penalize the hard working people of Maui County and doesn't help them to thrive. This restriction doesn't allow for these people to move up or on should their life circumstances change, without them giving up a percentage of their equity that they worked so hard to achieve. Penalizing the people of Maui shouldn't be a priority. If there is a need for a deed restriction 5-7 years is much more reasonable time frame. Bringing everything back to the basics on 2.96 is a good starting point to the reconfiguration of AFH policies. I do not support the implementation of Bill's 111 & 107.

Mahalo,  
Tatiana Medeiros

### Guest User

Location:

Submitted At: 4:20pm 04-25-23

Dear Chair and Council Members,

Hi, my name is Spencer Lee, Vice President, Sales Manager, for Central Pacific Bank. I oversee our new condo project mortgage lending in Hawaii. I've overseen CPB's mortgage lending on HHFDC affordable, HCDA reserve, and County affordable projects. In this role I've directly overseen thousands of new condo project sales, hundreds of which were affordable or reserve housing. At times I'm asked to give my opinion on affordable housing regulations, mortgage loan guidelines, and various other matters regarding new condo project lending.

I am strongly opposed to the language in bill 107 for the following reasons:

1. 31% of HUD AMI when getting a subsidy is too low. City and County of Honolulu uses 33%, which I already feel is low, but better than 31%. By capping the sales prices too low developers won't build, which only worsens the housing shortage.
2. It doesn't explain what interest rate is used to determine the housing payment. I recommend you state that you'll use a 2 year average of the Freddie Mac rate like the City and County of Honolulu.
3. Paragraph 3 states that the department must create a "program" and subsidize qualified buyers in the amount necessary such that they don't exceed 31%. Since this program doesn't already exist, thus there are no rules, guidelines, or agreement in place on how this program will be funded, structured, and run. This lack of clarity will further make developers not want to build as it makes it more unclear who will buy the units, how they will be qualified, and how they will get the funding needed to buy. Clarity and efficiency is needed to incentivize the

creation of more housing units, not another initiative that doesn't have clear proof it'll create more housing.

## Michael Williams

Location:

Submitted At: 2:45pm 04-25-23

This comment is about the property tax rates and tiers to be considered by the council at its 6pm public hearing on 4/26. There does not appear to be an ecomment set up for that meeting. Here is the text, but the attachment shows the small table lined up better.

Testimony re Real Property Tax adjustments to Mayor's budget proposed rates and tier thresholds (4/25/23)

From Michael Williams, immediate past Chair of the Cost of Government Commission, and chief author of its report issued in October 2022 on Real Property Tax Policy Options

MichaelWilliams@PueoFarm.com; 808-264-4884

20 Pulehunui Road, Kula

(For many more details about Maui County's property tax system, Council members, their staff, and the administration are urged to read the October 2022 COGC report on Real Property Tax Options, available on the COGC website at <https://www.mauicounty.gov/DocumentCenter/View/138757/Report-on-Real-Property-Tax-Policy-Options-for-Maui-County-October-2022-62MB>.)

--Maui County is the wealthiest municipality (County or city) in the USA as measured by taxable real property value per capita. See COGC October 2022 report on Property Tax Policy Options. Total assessed taxable value of Maui County real property wealth is \$70.3 billion (with a "b"). US Census says in 2022 there were 164,000 residents. Dividing 70.3 billion by 164,000 = \$429,000 per resident.

-- The county's tax system is unfair when with all that real estate wealth, it does not provide affordable housing to all residents, and affordable child care to all workers. The county government should not be setting its spending policies at some arbitrary number goal like \$1 billion—it should be setting the goal of providing affordable housing and child care, to raise the standard of living for all residents.

--There are approximately 14,000 dwelling units authorized to operate as TVRs (not counting 2500 timeshare units), and another 10,000 dwelling units in the NOO class that are not long term rentals—so about 24,000 housing units not available to residents, owned by wealthy people who own at least one other home, probably 95% of them do not live on Maui and do not vote here.

--Higher taxes on commercial visitor accommodations will be passed on to, and paid for, by tourists. Higher taxes on non-commercial visitor accommodations (second homes) will be paid by wealthy off-island visitors.

--This additional tax revenue can be generated without raising property taxes on anyone who lives here, not on homeowners, not on landlords who rent homes to residents, not on small locally owned businesses.

--Because Maui County also has the most flexible and progressive property tax system in the country, there is no such thing as the typical county taxpayer—there are many different types of county taxpayers.

Of that \$70.3 billion, the following amounts are the total values for real property parcels with dwellings occupied/used only by visitors and which are not occupied by or available to residents:

RPT Class	Assessed Value	Mayor's tax rate	Projected RPT revenue
TVR-STRH (And B&Bs)	\$18.2 billion	(25%) 11.85	(1.2%) \$212 million
Non-Owner-Occupied	\$16.7 billion	(24%) 7.2	(0.8%) \$128 million
TOTALS	\$34.9 billion	(49%)	\$340 million

If these parcels were taxed at a blended rate of 1.5% (15.00/1,000) \$523 million

That would generate \$183 million more than in the Mayor's budget proposal.

Looking only at NOO parcels, a blended rate of 1.5% would generate \$250 million, which is \$122 million more than the mayor's proposal.

## TOTAL VALUE OF HOMES (PARCELS WITH DWELLING UNITS) ONLY FOR VISITORS

\$34.9 billion (49%)

49% of all real property value in the county.

Taxing this visitor accommodation real estate wealth at just 1.5% (15.00/\$1000) would generate \$183 million more than the mayor's proposed rates.

How the blended RPT rate for the NOO class was calculated:

--Total assessed value for the Non-Owner Occupied class (NOO): \$17.7 billion (with a B). There are 16,730

parcels, with an average value of  $17,674,366,745/16,730 = \$1,056,000$ .

The total RPT revenue at the rates proposed by the mayor is

Tier 1 (12,106 parcels) (72%)—5.85, \$62.8 million;

Tier 2 (4,172 parcels) (25%)—8.00, \$40 million;

Tier 3 (452 parcels) (3%)—12.50, \$25.9 million.

Total revenue for all 3 tiers is \$127.6 million.

To fully utilize the progressive structure of the county's RPT system, so the wealthiest owners who can better afford it, pay a higher share of the total tax, the tier thresholds can be adjusted to more evenly divide these parcels, so roughly 33% are in each tier.

The average tax rate for all three tiers is thus  $127.6 \text{ million} / 17.7 \text{ billion} = 0.072\%$ . A tax rate of even 1% would generate \$177 million, nearly \$50 million more than the mayor proposed. A 1% tax rate would still be very low compared to what similar properties would be taxed in other states. A 1.5% tax rate would raise

NOO property owners pay no TAT, pay no state income tax, but they still increase the load on the county's roads, parks, water and sewer, police and fire protection. Of all the classes of real property, this is the one representing only very wealthy owners who don't live here, don't vote here, don't pay TAT or state income tax.

What would be the effect on property values of an increase in property taxes on second homes, or on TVRs?

Probably none at tax rates at or below 1.5%—but if there was an effect, it would only be to lower the average price of the property by the tax rate—so the average price of a second home here would drop from \$1,056,000 to \$1,045,000—not a real problem, and the average price of a TVR condo would behave similarly.

An important caveat: There are likely still several thousand parcels in the NOO class which are genuine long term rentals. The county needs to mount a major publicity effort to warn landlords their taxes will go up substantially in 2024 if they don't apply for LTR status by 12/31/23.

Marcy Martin thinks most of the genuine LTRs still wrongly classed as NOOs are in the lower value range, say homes worth less than \$600,000. For FY 24, the council should set Tier 1 of NOO at \$0-600,000, and tax it at a rate about double the LTR rate or same valued parcels. Tier 2 should be \$601,000-1,000,000 (the average value of all NOOs is just over \$1 million), and tier 3 should be \$1,000,000+.

The tax rates on Tiers 2 and 3 should be high enough to generate the extra money needed for affordable housing. RPAD (Marcy Martin) can quickly tell you how many parcels and how much total value would be in each tier using these thresholds, or any others council members would like to try. Then it is easy to set the rates needed to generate the extra money required for full funding of the AH Fund per the CAHP (\$58 million instead of \$43 million), and any special new AH projects, such as Chair Lee's Ohana Assistance program, an expansion of the First Time Homebuyers Program, an expansion of the Rental Assistance Program, and money to plan, design, and start implementation of the coming Strategic Plan to End Homelessness.

Testimony re Property tax legislation needed for tax year 2024—to be finalized by 11/30/23

Long Term Rental class

---Amend requirements for Long Term Rental class to allow for tenant turnover, temporary vacancies in ordinary course of operating a rental, such as maintenance between tenants.

---Create a special extra exemption for landlords for each housing unit rented at affordable rates

---Increase fines for property owners who submit false applications (and ask RPAD if it has sufficient personnel and resources to enforce its rules).

---Plan a major public information effort to alert LTR owners still in NOO class to apply by 12/31/23 if NOO rates have been raised per the recommendations in this memo.

---Create a grant program to subsidize OOs to build 'ohana ADUs dedicated to long term rentals—CM Lee has a bill to do this with \$50,000 grants.

General property tax policy

---Give RPAD the tool of possible use of the income approach to assessing value; requires only a one-word amendment to MCC 3.48.290

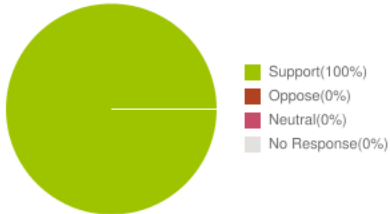
- "Considerations by director.

"The director must cause the fair market value of all taxable real property to be determined and annually assessed by the market data, income, and cost approaches to value . . ."

---Give RPAD the authority to obtain income and expense records from any owner of an income generating parcel who appeals their parcel's valuation, and provide that such appeal will be automatically dismissed if such records are not provided

Agenda Item: eComments for BFED-1 FY 2024 PROPOSED FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI (BFED-1)

Overall Sentiment



**Guest User**

Location:

Submitted At: 11:45am 04-19-23

Throughout the course of this school year, the MEO Head Start program has done so many wonderful things for my child and our family.

My son has learned many useful skills, such as sharing, socialization, managing feelings, and so much more.

The program also does a lot to support families by making sure our keiki are kept healthy and making it doctor's and dentist's appointments. Each center has a caseworker who works vigorously with families to make sure we never struggle, and if any type of struggle may occur we have proper support.

A few months ago, I was solely a parent, struggling to find a job that I could work while my kids are in school, until an opportunity arose as a teacher aide here at our Lahaina Head Start center. I have never enjoyed a job as much as I do with this position, I get to teach and learn along side our keiki daily and I couldn't be more grateful.

Amber Salvador

**Guest User**

Location:

Submitted At: 11:34am 04-19-23

My child is a student with the MEO Head Start program, and the impact it has had on my family is tremendous.

Coming from a small community on Molokai, it's hard to find a free preschool program for our Keiki, and with continued funding it would provide 20 families with services from 7:30 a.m. to 3 p.m. and summer school options, With our Keiki in preschool, it provides the opportunity for parents to work or continue their education. For my Family, the program not only provides services for my child but for myself, too.

MEO Head Start has a lot of information to offer parents when help is needed. I myself was able to seek help in starting out. The program was able to provide me with the information needed.

If Head Start Kaunakakai Center was to change their hours or close, my family would be greatly impacted in many ways. It would cause financial stress on myself and other parents. We would have to find another preschool that could charge \$800 monthly or more. It would leave families with only one working parent for a full-day's worth of work in this high cost economy.

We the parents of Kaunakakai Head Start appreciate this opportunity we have with the funding provided by the County of Maui. Mahalo.

Macy Hiro

Maunaloa, Molokai

**Guest User**

Location:

Submitted At: 11:21am 04-19-23

MEO Head Start provides equal opportunity for my family and me. My daughter gets to go to school full time, gets the right education she needs and makes new friends. Having my daughter attend Head Start also gave me an opportunity to find a job, so that I can provide for my family.  
We are truly grateful to Head Start in our community for our kids.  
Tiara English

**Guest User**

Location:  
Submitted At: 11:18am 04-19-23

The MEO Head Start program is the only free program that we have here on Molokai, which helps my family. I work a full-time job as a cashier and my husband is in the Drug Court program. MEO has helped us in many ways; it's affordable and dependable. I get off work at 6 p.m. throughout the week, and Marc meets with his counselor from time to time. The program calls the morning they need him to do UA or counseling and-or court, 7:30 a.m. to 3 p.m., Monday to Thursday, and Friday, 7:30 a.m. to noon.  
My daughter Ka Liliko loves Head Start, and the staff is great. If it wasn't for MEO, I wouldn't be working or we wouldn't have been able to get the things that we needed done.  
It's a safe and awesome environment for my child.  
Mehana Pupuhi and Marc-Wayne Smith

**Guest User**

Location:  
Submitted At: 11:05am 04-19-23

Having my child be a part of the MEO Head Start program has been nothing but an amazing experience for her. The program has taught her many things from writing her name to recognizing the letters in the alphabet to being able to identify numbers. She has also learned daily life skills and tasks that we use in our everyday lives. If it wasn't for the MEO Head Start program being available and open until 3 p.m. for my child, I wouldn't be able to work my full-time job because I wouldn't have someone or somewhere for my child to go. Being able to have my child learn and attend the program while I go to work has been a blessing for my family. We're beyond grateful for the summer program, as well because it keeps her on track with learning and helps as a safe place for my child because I can't afford to pay for a sitter.  
Losing this program would be a tremendous loss to our community as it is the only preschool program that is free of charge to low income families on Molokai and Maui.  
Chantey Uahinui

**Guest User**

Location:  
Submitted At: 10:55am 04-19-23

Aloha. I am a single mother with two keiki currently attending MEO Head Start. MEO helps me out a lot with my two children attending the program.  
I am able to work my full-time job and not have to worry about where my children will go while I am at work. Having a reliable spot for my children is very helpful.  
I am grateful for the school; it provides a safe place for my children. They learn a lot everyday.  
Olivia Pescaia

**Guest User**

Location:  
Submitted At: 10:52am 04-19-23

MEO has been our first choice for education since 2018. As a mother of four, I'm grateful for MEO providing free early childhood education. We are offered a lot of support and services that other schools don't offer. Three of my four children have attended MEO and my youngest will be enrolled when she turns of age.  
The staff is awesome. They're good with my children and have shown so much patience and understanding when my kids had a rough morning or when they constantly have to remind me of things.  
MEO has been a blessing to the community, and I hope they will continue to operate in the future.  
Ashlynn Kaulili

**Guest User**

Location:

Submitted At: 10:50am 04-19-23

MEO is such a wonderful opportunity for not just my child but the whole family. MEO teachers are so resourceful and helpful in teaching parents how to build a loving, caring relationship with children. They always offer healthy food, and it shows when my child comes home asking for new things that I've never even thought to give her. I am so grateful to the teacher who saw my daughter's speech wasn't the best. She met with me and filed the paperwork, and my child is receiving speech lessons that will continue when she goes to kindergarten.

MEO is not just a preschool; it is more like a family. They care about you and your health, as much as the kids. They also distribute so many things to take home, which is such a blessing, such as books, coloring supplies, toothbrushes, toothpaste, food and plants started from seed.

Mainly, the children take home the good manners the teachers are instilling in them, and all the knowledge that most parents don't have time to teach them

My family and I love MEO and everything they offer. The staff is always A++. I can't think of anyway for them to be better because they are at the top 100 in everything they do.

Natalie Stampson

### **Guest User**

Location:

Submitted At: 10:30am 04-19-23

I'm speaking on behalf of MEO Head Start.

My family and I are grateful for MEO Head Start because it gives my children the opportunity to attend school while I work.

My child has gained so much by being in MEO Head Start. She learned to write her whole name and knows her numbers. Without these programs, it would not be possible to work due to no child care.

This program did a lot for me and my Ohana. Please consider MEO Head Start in your fiscal year budget.

Mahalo and thank you for your time.

Patty Ann Ellis

### **Guest User**

Location:

Submitted At: 10:25am 04-19-23

Aloha yokwe/greetings.

My daughter Tiaina R. Lang is a student at the MEO Head Start UH-Maui College center. Since Day 1, I have never seen her wanting to miss a day of school. She loves school, not just to make friends while learning, but the professionalism of the staff (teachers) and all the management case workers, who help with this amazing foundation. Makes it more fun and safe for not just my baby girl but for all her classmates and friends.

My other half and I deeply appreciate the County of Maui funding of MEO Head Start. Honestly, it's a great help for our family with inflation nowadays. It help us a lot, because if it not for this program for my baby girl, it will put us in a really tight spot.

We humbly want to say thank you so much for this great opportunity. In the beginning, my other half was very nervous of bringing our eldest daughter to MEO Head Start, just like any parent. But as time went by, we saw a transformation in our daughter in an amazing way, and we would like to thank her teachers, staff and all the MEO department because she used to be shy and scared to open up to anyone and very fragile. Now, she's changing for the better and building a bond with her classmates and her teachers, as well as enjoying everyday while learning new things with all the great supplies and equipment provided by the school.

To us, Head Start is a blessing in the skies to have my daughter in this program. We would to say thank you x 2 very much. Wishing for the same for more families in the future to be blessed like we have been.

Mahalo Nui Loa and God Bless!

Ronny Lang

### **Guest User**

Location:

Submitted At: 10:03am 04-19-23

The MEO Head Start program and its full-day schedule are invaluable. As a single father of eight, the full-day schedule allows me the opportunity to work while my child receives the necessary tools to progress in our educational goals.

The Head Start experience has been very positive in all aspects of our lives. Parent-assisted programs and



services are unique and helpful.  
Anthony Buchanan

**Guest User**

Location:

Submitted At: 9:58am 04-19-23

MEO Head Start helps:

- Employed parents.
- Older siblings, who finish school around the same time.
- Parents pick up their children, instead of someone else.
- Parents get more things done during the day.

Precious Castro

**Guest User**

Location:

Submitted At: 9:54am 04-19-23

I greatly appreciate the county support for MEO Head Start. The program provides free early educational experiences for my children and allows them access to services, which promote health emotional/social well-being and early academic support.

Continued support will greatly impact the lives of other children and families that will enroll in future years.

Mahalo.

Quentin Miyamoto

**Guest User**

Location:

Submitted At: 9:48am 04-19-23

Aloha Mayor Bissen and Maui County Council Members, I'd like to thank you so much for your support of the MEO Head Start program. We as a community are so fortunate to have Head Start services, especially with funding that helps Head Start to stay open for its extended hours. It gives us parents the opportunity to have part-time/full-time jobs knowing that we have our children there. I appreciate the wonderful staff that helps teach and care for my daughter. They do such a wonderful job whether it be taking care of our children's needs or support for the rest of the family by notifying us of community events, programs that can help the family and job opportunities.

Please continue to support MEO. They do so much not only for our children but the whole county and the whole family in the Head Start program.

Georgigina Naeole

## **Testimony re Real Property Tax adjustments to Mayor's budget proposed rates and tier thresholds**

**(4/25/23)**

**From Michael Williams, immediate past Chair of the Cost of Government Commission, and chief author of its report issued in October 2022 on Real Property Tax Policy Options**

**MichaelWilliams@PueoFarm.com; 808-264-4884**

**20 Pulehunui Road, Kula**

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-- The county's tax system is unfair when with all that real estate wealth, it does not provide affordable housing to all residents, and affordable child care to all workers. The county government should not be setting its spending policies at some arbitrary number goal like \$1 billion—it should be setting the goal of providing affordable housing and child care, to raise the standard of living for all residents.

--There are approximately 14,000 dwelling units authorized to operate as TVRs (not counting 2500 timeshare units), and another 10,000 dwelling units in the NOO class that are not long term rentals—so about 24,000 housing units not available to residents, owned by wealthy people who own at least one other home, probably 95% of them do not live on Maui and do not vote here.

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--Because Maui County also has the most flexible and progressive property tax system in the country, there is no such thing as the typical county taxpayer—there are many different types of county taxpayers.

Of that \$70.3 billion, the following amounts are the total values for real property parcels with dwellings occupied/used only by visitors and which are not occupied by or available to residents:

<u>RPT Class</u>	<u>Assessed Value</u>	<u>Mayor's tax rate</u>	<u>Projected RPT revenue</u>
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#### **TOTAL VALUE OF HOMES (PARCELS WITH DWELLING UNITS) ONLY FOR VISITORS**

\$34.9 billion (49%)

**49% of all real property value in the county.**

**Taxing this visitor accommodation real estate wealth at just 1.5% (15.00/\$1000) would generate \$183 million more than the mayor's proposed rates.**

*How the blended RPT rate for the NOO class was calculated:*

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NOO property owners pay no TAT, pay no state income tax, but they still increase the load on the county's roads, parks, water and sewer, police and fire protection. Of all the classes of real property, this

is the one representing only very wealthy owners who don't live here, don't vote here, don't pay TAT or state income tax.

What would be the effect on property values of an increase in property taxes on second homes, or on TVRs? Probably none at tax rates at or below 1.5%--but if there was an effect, it would only be to lower the average price of the property by the tax rate—so the average price of a second home here would drop from \$1,056,000 to \$1,045,000—not a real problem, and the average price of a TVR condo would behave similarly.

***An important caveat:*** There are likely still several thousand parcels in the NOO class which are genuine long term rentals. The country needs to mount a major publicity effort to warn landlords their taxes will go up substantially in 2024 if they don't apply for LTR status by 12/31/23.

Marcy Martin thinks most of the genuine LTRs still wrongly classed as NOOs are in the lower value range, say homes worth less than \$600,000. For FY 24, the council should set Tier 1 of NOO at \$0-600,000, and tax it at a rate about double the LTR rate or same valued parcels. Tier 2 should be \$601,000-1,000,000 (the average value of all NOOs is just over \$1 million), and tier 3 should be \$1,000,000+.

The tax rates on Tiers 2 and 3 should be high enough to generate the extra money needed for affordable housing. RPAD (Marcy Martin) can quickly tell you how many parcels and how much total value would be in each tier using these thresholds, or any others council members would like to try. Then it is easy to set the rates needed to generate the extra money required for full funding of the AH Fund per the CAHP (\$58 million instead of \$43 million), and any special new AH projects, such as Chair Lee's Ohana Assistance program, an expansion of the First Time Homebuyers Program, an expansion of the Rental Assistance Program, and money to plan, design, and start implementation of the coming Strategic Plan to End Homelessness.

## **Testimony re Property tax legislation needed for tax year 2024—to be finalized by 11/30/23**

### **Long Term Rental class**

---Amend requirements for Long Term Rental class to allow for tenant turnover, temporary vacancies in ordinary course of operating a rental, such as maintenance between tenants.

---Create a special extra exemption for landlords for each housing unit rented at affordable rates

---Increase fines for property owners who submit false applications (and ask RPAD if it has sufficient personnel and resources to enforce its rules).

---Plan a major public information effort to alert LTR owners still in NOO class to apply by 12/31/23 if NOO rates have been raised per the recommendations in this memo.

---Create a grant program to subsidize OOs to build 'ohana ADUs dedicated to long term rentals-CM Lee has a bill to do this with \$50,000 grants.

**General property tax policy**

---Give RPAD the tool of possible use of the income approach to assessing value; requires only a one-word amendment to MCC **3.48.290**

**- "Considerations by director.**

"The director must cause the fair market value of all taxable real property to be determined and annually assessed by the market data, income, and cost approaches to value . . ."

---Give RPAD the authority to obtain income and expense records from any owner of an income generating parcel who appeals their parcel's valuation, and provide that such appeal will be automatically dismissed if such records are not provided

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