

EAR Committee

From: Michael <baskindesign@gmail.com>
Sent: Monday, October 31, 2016 5:11 PM
To: EAR Committee
Subject: SID Testimony EAR -36 - Opposed To The SID from a Property Owner in Paia
Attachments: Mana Letter.pdf; Rock and Brew.pdf

Dear County Council:

I have been a resident of Maui for 40 years and live in Paia. I am a graduate of Seabury Hall and Pepperdine University for Business.

For 8 years I was on the Paia Main Street Board of which I was the Vice-Chair. I have been professionally doing Architectural Design work for the past 30 years. My specialty is preserving and renovating small town historic buildings.

I currently own many properties in Paia. Of these 5 are Commercial buildings that would be impacted by the SID. I am **strongly apposed** to this mandatory tax increase. The tax would have the opposite effect of its intended use. It would discourage owners and merchants both from making improvements to the small towns. It would put hard earned money into a town association that has no experience in administering these funds and would use it to help their own special interest group.

The Paia Town Association, who has made the presentation for a Sid, is not qualified as a complete voice for our Community. They have voted themselves into position and have had meetings that members are not allowed to attend. In fact 4 of the current Directors have each made complaints to the County against local small business owners and property owners in the town of Paia - based on their own personal bias. The President has even filed 5 lawsuits against local Maui residents and has filed Appeals against the County for issuing permits that he deemed are improper. You should **NOT** help fund an organization that may use its

funding directly against local small businesses and property owners for their own discretion.

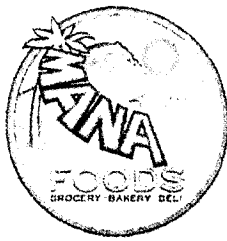
I have reached out to many other property owners and we believe that it is in the best interest to allow the Owners to fund improvements to the town. The tax would also trickle down to the Tenants through the CAM fees, which Tenants are unaware of. This mandatory tax would only increase their lease payments.

If you really want to help those of us who own in Paia, organize a small towns planner within the County that focuses on **Helping** us to streamline the process of making renovations and repairs and getting after the fact permits for old existing structures that were built before permits existed.

Please see attached other letters against this Bill. Currently, there are 19 buildings that have already sent in testimony against this from from passing, which is 21% of the Owners in Paia. Many other Owners will join in and vote against this new tax once they are given proper notice. Once merchants understand that this bill will increase their Lease payments they will also be against this Bill.

Mahalo,

Michael Baskin
Paia Commercial Property Owner



P.O. Box 792047 • 49 Baldwin Ave. • Paia, HI 96779 • Ph: (808) 579-8137 • Fax: (808) 579-9464

Dear Maui County Council:

I oppose Bill EAR-36 to all for Special Improvement Districts (SIDs) in Maui. As written, the Bill would increase commercial property taxes. The burden will then fall upon the merchants in Paia as it is likely it will be passed on as CAM to the merchant.

For property owners this bill will place liens against those unable or unwilling to pay this new tax. This bill requires only 25% of the commercial property owners in the district to start County Council action on creating a SID, while the national standard is 60%. The money received from the new tax is to be given to a non-profit with the only qualification being that they are in "Good Standing," which is not defined in the bill.

It also must include County officials as voting members on the SID nonprofit board. This board may not be qualified and also may not support the community's best interest. It will simply put money in the hands of people pursuing their own narrow interests. Those who pay will not have a voice as to how and why it is spent.

Property owners and merchants are already capable of organizing their own efforts to improve their communities without the need for a mandatory tax increase, liens, and increased government regulation. I am strongly opposed to this bill as it will certainly affect my business.

Sincerely,

Edward Thielk
President, Mana Health Foods Inc.
Owner, 49 Baldwin Ave., Paia, HI



Dear Maui County Council,

I oppose Bill EAR-36 to allow for Special Improvement Districts (SIDs) in Maui. As written the Bill would increase commercial property taxes. This is an additional financial burden on local merchants and property owners. For merchants the tax will likely be passed down through the CAM (common area maintenance) fee which is mandatory increase in the Lease payment. If this is not paid it would mean default under the Lease by the tenant. For property owners this Bill will place liens against those unable or unwilling to pay this new tax. This Bill requires only 25% of the commercial property owners in the district to start County Council action on creating a SID, while the national standard is 60%. The money received from the new tax is given to a non-profit (i.e: Paia Town Association) with little qualifications other than needing to be in "Good Standing", which is not defined in the Bill. It also must include County officials as voting members on the SID nonprofit board. This board may not be qualified and also not support the community's best interest.

Property owners and merchants are already capable of organizing their own efforts to improve their communities without the need for a mandatory tax increase, liens, and increased government regulation. I am voicing my strong opposition now before this property tax increase affects my business.

Mahalo,

A handwritten signature in black ink, appearing to read "Michael Zislis", is written over a horizontal line. Below the line, the word "Signature" is printed.

Name: Michael Zislis

Date: July 8, 2016

Title/Business Name: Rock & Brews, Paia

Property Address: 120 Hana Hwy, Paia, HI 96779