

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,

Signature

Name: Michael Zislis

Date: July 8, 2016

Title/Business Name: Rock & Brews, Paia

Property Address: 120 Hana Hwy, Paia, HI 96779

RECEIVED AT EAR MEETING ON 11/1/16

Submitted by: Ana Lillis