

Aloha and Good Afternoon Councilmembers,

My name is Martin Brass. I am currently President of the Paia Town Association as well as a Paia business owner. I appreciate the opportunity to provide testimony once again regarding the proposed Special Improvement District legislation.

On behalf of the Paia Town Association, we previously presented to you the merits of instituting a SID in our community. I have listened to the comments to date and would like to respond to some of those. I believe certain points here are fundamental to the approval process which I respectfully ask each of you to consider in your decision making.

1) The SID represents a powerful financing tool for the County and local communities alike. From a planning perspective, implementing initiatives without a consistent source of funding becomes very difficult. Sustainability, let alone self-sustainability, is I believe a realistic SID goal. For example, the Paia Town Association is very grateful to OED for its ongoing support. However, OED funding is typically renewed by grant application every six to twelve months. We are challenged to consider longer term initiatives without the confidence funding will be available to support it.

2) The perceived divide between the have and have-not communities should actually contract not expand. I would expect by establishing a SID, SID funds may either, as the case may be. free up otherwise allocated funds for other communities or supplement existing publicly funded efforts. Two other counties in the State of Hawaii have SID legislation. By not approving our own SID legislation, we are placing our Maui-based communities at a disadvantage to those on neighboring islands.

3) Just as a reminder, the proposed bill before you is an enabling legislation. Any actual establishment of a SID would occur by a specific district petitioning and being approved by the County Council. Certain concerns have been raised like administrative costs and disseminating information to SID members. Depending on the size of the district, issues like these may best be handled or supplemented by the proposed District itself. I don't believe the integrity of approving this enabling legislation is compromised by leaving a broader latitude to address concerns like these within a specific SID bill.

4) Lastly, in reviewing the history of what makes improvement districts successful, I believe transparency is a fundamental requirement. The misuse of funds is our greatest risk. We should require transparency regarding budgets, allocation of funds and governance.

Mahalo for your time and consideration.

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