From: Alex Stanislaw <SeaHouseChef@napilikai.com>

Sent: Thursday, April 25, 2019 11:13 AM

To: EDB Committee

Subject: letter supoorting MVB 2020 budget

Attachments: Scanned from a Xerox Multifunction Printer.pdf

To whom it may concern,

Attached, please find a letter from me to Chair Rawlins-Fernandez and the entire County Council concerning the 2020 Maui County budget and in particular, the MVB portion of that budget. Again, mahalo for taking the time to read it.

Alex Stanislaw

4.24.2019

Budget and Finance Committee Chair 200 S. High St Wailuku, Hi 96793

Ref: Maui Visitor Bureau 2020 budget proposal

Aloha, Chair Keani Rawlins-Fernancez Aloha, Maui County Council Members

My name is Alex Stanislaw. I am presently employed at the Napili Kai Beach Resort, and have been in management here for the past 4 years. In total, I have been employed on Maui, in hospitality management, for the past 40 years. I understand the impact that MVB has on the overall economy of Maui, and I am in total support of fully funding MVB at the level it has always been funded. In recent years, Maui's economy has become more dependent on the visitor industry, and personally, my family and I could not survive without the visitors who come and make Maui their holiday destination.

I feel very strongly that without the Maui Visitor Bureau playing such a large role in keeping Maui in the forefront of vacation destinations, we would lose our market share of those visitors, our overall economy would sputter, and the ohana that is Maui would suffer greatly. It is my understanding that in this year's proposed budget, MVB's funding has been drastically cut, and in my way of thinking, this is a big mistake. I feel that it is very important to the overall health of Maui to fully fund MVB so they can carry on the great job they have done keeping Maui "no ka oi."

Mahalo for taking the time to read this,

Alex Stanislaw

From: Seitz, Phyllis < Phyllis.Seitz@ritzcarlton.com>

Sent: Thursday, April 25, 2019 9:07 AM

To: EDB Committee Cc: Rogers, Andrew

Subject: TESTIMONY FOR RPT HEARING - THE RITZ-CARLTON, KAPALUA **Attachments:** Testimony for RPT Public Hearing - The Ritz-Carlton, Kapalua.pdf

Importance: High

Aloha,

Below and attached is the Testimony for RPT Public Hearing from the General Manager, Andrew Rogers of The Ritz-Carlton, Kapalua.

Mahalo.

Monday, April 22, 2019

Kelly T. King, Council Chair Keani Rawlins-Fernandez, Council Vice-chair & EDB Chair Council of the County of Maui

Opposing Proposed Increases for Hotel & Resort Real Property Tax rates

Aloha Council Chair Kelly King, Vice-chair Keani Rawlins-Fernandez, and Council Members of the County of Maui. Thank you for this opportunity to provide testimony in STRONG opposition to the proposed increase in the hotel and resort real property tax rate.

The hotel industry is keenly aware of Hawai'i s position in the visitor market and the cost of a Hawai'i vacation. As the main economic engine of the islands, we all depend on a thriving hospitality industry to put food on the table for our family, care for our children and kupuna, and provide a better future for those who will come after us. Hotels are not able to pass all of the increased costs of doing business onto hotel guests. Increased operational costs adversely impact hotels' abilities: to compete nationally and internationally with lower-priced destinations; to maintain Hawai'i's brand as a premier vacation destination, including by investing in new hotel properties and renovating existing ones; and importantly, to continue to provide a living wage to our hotel workers; and to support our communities through charitable and other events and activities.

I strongly urge you to not pass the proposed rate hike for a variety of reasons, including:

Property Values & Assessments: We are seeing the assessed values of our property increase dramatically, The Ritz-Carlton, Kapalua alone from 2018 to 2019 increased in assessed value from \$179 million to \$207 million resulting in increased real property tax revenues without the need for increased tax rates. Along with the other hotel and resort properties in the county there is projected to be an additional \$1.3 million in taxes based on the current rate. Hotels and resorts are already paying their share of real property taxes, and increased tax revenues from increased property assessment values should be enough. By both increasing the

tax rate and the assessed values of these properties it will be that much more difficult for management and ownership groups to reinvest in these properties and our people. In the long-term, less investment means deferred maintenance, a diminished product, less high-value visitors to our islands, and less quality jobs for our island's families.

Good Community Stewards: A significant rise in operating costs through increased taxes means those saving must be found somewhere. I know that all of our hotels contribute back to the community in other ways that are not as closely measured as taxes, donating hundreds of thousands if not millions of dollars to local non-profits and charities. At The Ritz-Carlton, Kapalua we believe we MUST be good stewards of the community, not just a hotel, and that is why we have such a focus on giving back to multiple groups from education, to Hawaiian culture, to the betterment of our youth. Our ability to support the Boys & Girls Clubs of Maui, Hui o Wa'a Kaulua, Maui Food Bank, Women Helping Women, Pu'u Kukui Watershed Preserve and countless other Maui nonprofits and agencies through outright or in-kind donations would potentially be compromised or curtailed by this drastic increase in taxes.

The Visitor Industry Appears to be in an Economic Slowdown: Many signs over the past year point to an economic slowdown, and state economists, government leaders, and visitor industry experts share concerns. Significantly, the Hawai'i Tourism Authority reported that February 2019 was the worst month for hotels and resorts in the last decade. This is greatly concerning because the month of February is typically the strongest for hotels and sets a benchmark for the remainder of the year. The industry also experienced a downturn for much of 2018 owing to the Kaua'i flooding, Kilauea eruption, federal government shutdown, and prolonged hotel worker strike. The proposed increase in real property tax rates will make it more difficult for hotels and resorts to rebound and could have a ripple effect across Hawai'i's economy.

Hotels and Resorts Are Already Subject to Transient Accommodations Taxes and Can Only Pass So Many Costs on to Guests: The State transient accommodations tax (TAT) is a tax levied solely on visitor accommodations, on top of general excise taxes and real property taxes. During the 2017 legislative special session, the TAT was increased by 1% to help fund the Honolulu rail project. This year, the legislature is advancing a measure that would subject hotels' "resort fees" to the TAT. Hotels and resorts pass everincreasing TAT and other costs of doing business on to guests, making it more expensive to travel and stay in Hawaii. Maui County does not receive its fair share in TAT back from the state, a situation which needs to be rectified and can bring in the needed funds the County is now looking for in the RPT rate increase.

Alternative & Illegal Accommodations: These illegal rentals pay real property taxes at the much lower residential rate, and many do not pay any GET or TAT taxes at all. If the desire is to gain additional funds for the County through taxes, by properly identifying and forcing into compliance these thousands of illegal STRs it would do a few beneficial things. Those illegal rentals which then become permitted as B&Bs and STRs will contribute added tax dollars both through their increased real property tax rate and their TAT taxes. Secondly, guests who would have gone to these illegal, unpermitted rentals will again return to legal accommodations, raising our occupancies and contributing more to the economy. And lastly and perhaps most beneficial is it will reduce the strain on our local neighborhoods and communities by removing so many of these illegal rentals.

In summary, the hospitality industry is a major driver of Hawai'i's economy. In addition to providing jobs for both our actual team members and the countless third party vendors and companies we contract with, the hotel and resort industry materially contributes to the state and local economy by paying taxes. Hawai'i consistently ranks among the jurisdictions with the highest tax rates for lodging accommodations. The hotel and resort classification real property tax rate is already the highest real property tax rate in the County of Maui, and it is the business classification currently being targeted for the most drastic increase. Hotels and resorts should not be singled out for an increased tax rate that will significantly and adversely impact their ability to do business here, especially when there are better avenues to gain needed funds and there are no penalties for illegal vacation rentals.

Thank you for the opportunity to speak to this important subject and your time.

Mahalo,

Andrew C. Rogers General Manager

-A-5

The Ritz-Carlton, Kapalua

808-669-6200

Warmest regards,

Phyllis

Phyllis C. Seitz Executive Assistant The Ritz-Carlton, Kapalua One Ritz-Carlton Drive Lahaina, HI 96761 Direct: +1 808-665-7267

Main: +1808-669-6200 Fax: +1 808-665-7095 phyllis.seitz@ritzcarlton.com

www.ritzcarlton/kapalua.com

Connect with us - www.facebook.com/RitzCarltonKapalua

- * 2014 AAA Five-Diamond Award, 19th Consecutive Year
- * Maui was once again voted 'Best Island in the World', by the discerning readers of Condé Nast Traveler, Oct. 2013

Mai ka la hiki a ka la kau..ka la maikai a Kapalua... From the rising sun to the setting sun...a perfect day in Kapalua.

The above communication contains information from The Ritz-Carlton Hotel Company, L.L.C. that may be confidential and/or privileged. Except for personal use by the intended recipient, or as expressly authorized by the sender, any person who receives this information is prohibited from disclosing, copying, distributing, and/or using it. If you have received this communication in error, please immediately delete it and all copies, and promptly notify the sender at the above telephone number or electronic mail address. Nothing in this communication is intended to operate as an electronic signature under applicable law.



THE RITZ-CARLTON

KAPALUA

Monday, April 22, 2019

Kelly T. King, Council Chair Keani Rawlins-Fernandez, Council Vice-chair & EDB Chair Council of the County of Maui

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Page -2-

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Thank you for the opportunity to speak to this important subject and your time.

Mahalo,

Andrew C. Rogers General Manager

The Ritz-Carlton, Kapalua

808-669-6200

CAZ

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:40 AM

To:

EDB Committee

Subject:

Fw: Raise in tax rates for Vacation Rentals

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Anne Montgomery < montgomery maui@gmail.com >

Sent: Wednesday, April 24, 2019 4:27 PM

To: Kelly King

Subject: Raise in tax rates for Vacation Rentals

I think this would greatly impact out Real Estate market. People who buy for VR already pay alot in Property taxes. I think the issue should be in getting "illegal VR's" to pay taxes. And leave the Property taxes alone.

Anne M. Montgomery R(S) 2575 S. Kihei Rd, Q210 Kihei HI 96753

Premier Executive LLC License #74563

montgomerymaui@gmail.com 808-298-3116 HST

From:

Barbie Dofa <BDofa@napilikai.com>

Sent:

Thursday, April 25, 2019 9:17 AM

To:

EDB Committee

Subject:

Testimony in Support of MVB's Proposed 2020 Budget

Attachments:

MVB Budget Testimony 04 24 2019.pdf

Aloha,

I have attached my letter in support of MVB's proposed 2020 budget. Thank you for your time and consideration of my viewpoint.

Me Ka Ha'aha'a (With Sincerity), Barbie

Barbie Dofa, SPHR, SHRM-SCP Director of Human Resources Napili Kai Beach Resort | 5900 Lower Honoapiilani Road | Lahaina, HI 96761

Direct Line: 808-669-9553

April 24, 2019

Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Barbara Dofa. I work at the Napili Kai Beach Resort as the Director of Human Resources and have been employed at Napili Kai for the past 13 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors I see the importance it has on our community. It is the key to the financial wellbeing of Maui as it is currently the only economic driver for our county. There are many, not just my family (pretty much everyone I know), whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. My career in the visitor industry allows me to support myself and my family.

If Maui is not out in the forefront there are many other destinations that are more than happy to take our share of the visitors. Once we lose visitors, it takes a while to build up visitor arrivals back to a level we need to maintain our way of life here on Maui.

I remember when 9/11 and the recession in 2008 occurred. It was a struggle during 9/11 and as well as during the recession.... times were tough for many families, including job eliminations, reduced work hours and foreclosures. Please don't let this happen again, please support MVB's proposed 2020 budget.

Mahalo

Barbara Dofa

Barbana Wola

From: Kelly King

Sent: Thursday, April 25, 2019 8:21 AM

To: EDB Committee

Subject: Fw: Proposed possible Property Tax STRH rentals suggestions, implications

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Bonnie Pauli

Sent: Thursday, April 25, 2019 5:30 AM

To: Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama

Cc: Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura Subject: Proposed possible Property Tax STRH rentals suggestions, implications

Aloha, I know you must be inundated with emails, calls etc from concerned Maui property owners who also rent their homes out some of the time for vacation rental stays and appreciate very much your taking some time to review my comments.

My husband and I have lived part time on Maui for nearly 30 years and for over 20 have owned condo apartments in Hotel District Villages in Kihei and Wailea. I know Honolulu has not followed thru on promises to share TAT increases with the counties and understand the need to find money to help finance infrastructure, education and human needs. Between Honolulul's selfishness and the loss of major industry on the island we can understand the need.

I am very concerned that the consequences of a 60% tax increase to individual properties that currently fall into the Hotel Zone districts and other STRH homes may not have been fully analyzed. The loss of revenue to the county that will result as property values drop dramatically (with such a large tax increase they surely will) may not have been fully comprehended. The increase in owners who could not afford property without the income rentals provide is extensive. Far different from even 6 years ago when few properties were being purchased for just vacation rental businesses.

It would seem to me that treating these properties differently than hotels and the knowledge that property values will decrease is the reason for such a large proposed increase. Vacation rentals may provide more jobs to locals than hotels do - we certainly employee house keepers, gardeners, handymen, plumbers, electricians, etc and purchase our linens,

household goods etc from local stores unlink hotels who often have large off island suppliers.

Why not include hotels in the increase - Spreading out the additional income would be much safer for the county and could halve the impact of loss in property values to the county income thus meaning a smaller increase across the board.

This does not even address the loss of revenue to the county due to decreased visitors - a likely consequence when tax increases need to be passed on to the traveler. We know the peace and unique beauty of Maui but travelers do have many more choices these days and Hawaii is already an expensive destination - making it more expensive will certainly impact numbers.

So much of Hawaii's income comes from non resident owners who have no say in how the tax money they generate is spent. Understanding the true consequences of making it unfeasible for this new category of owner to afford Maui without passing the cost onto the ultimate visitor consumer is very important for the future well being of the County. We hope you will continue to research options - perhaps adding a local consumer fee for Maui to the GET? or Sharing property tax increases with Hotels too?

Many thanks for allowing us to express our concerns.

Bonnie Pauli 3300 Wailea Alanue #11E Kihei, HI 96753

bbpauli@me.com

From: Tasha A. Kama

Sent: Thursday, April 25, 2019 11:28 AM

To: EDB Committee
Cc: Maui westyost.net

Subject: FW: PROPOSED PROPERTY TAX INCREASE

As requested by the testifier

From: Maui westyost.net <maui@westyost.net>
Sent: Wednesday, April 24, 2019 5:33 PM

To: Tasha A. Kama < Tasha. Kama@mauicounty.us> **Subject:** Re: PROPOSED PROPERTY TAX INCREASE

Mahalo for your reply.

We are not naive — of course we are aware of the need for Maui County improvements. And yes we understand GET and TAT. And yes we can propose a more equitable solution to Maui County's need for the needed improvements. It is a long overdue solution!

In other states, such as California, the developers of large projects are charged appropriate fees to fund these types of improvements (and more) BEFORE they are granted permits to proceed with their projects. California developers know in advance they will be expected to pay these fees before building permits are approved. These monies are built into their project budget.

There have been many large condo projects built on West Maui in the last 10 years, but it is obvious the developers have not been required to be financially responsible for providing revenue for needed Maui County improvements — a sad, but perfect, example is the wastewater treatment system that serves their large, multi-unit projects. The result of that example alone is an inadequate water treatment plant that has been horribly odiferous for many years. Why have these developers been allowed to build without being required to pay for improvements? Requiring developers to pay BEFORE they are granted building permits works for other states. It seems like the logical solution, so why has this not been required by Maui County? It seems this should be an important concept for the county council members to embrace! Please forward this reply to your other 8 council members.

Mahalo,

~BRUCE & MARIE WEST

On Apr 24, 2019, at 9:28 PM, Tasha A. Kama <Tasha.Kama@mauicounty.us> wrote:

Mahalo for your testimony regarding the possible change to the real property tax (RPT) rate for Short-Term Rental.

As a Councilmember I understand your concern about the potential for an increase in the tax rate applied to Short-Term Rental properties and the likely impact on your household.

I hope that you understand, even if you only use your property for a short portion of the year, that our community has substantial needs for improvements to roads, parks, and other community facilities along with an increasing shortage of affordable housing and visible segments of our community who lack basic shelter. While your responsibility is to your household, my obligation, kuleana, is to the entire County of Maui. That kuleana demands that I address the outstanding needs and seek the revenue to do so.

The County's primary source of revenue to provide the facilities and services needed by our community is the real property tax. To generate the needed revenue, it is likely that real property tax rates will be increased.

As one of nine County Councilmembers, I am open to alternative funding strategies you and others may propose. Please note that the Council has no direct authority over the distribution of the Transient Accommodations Tax (TAT) — the State Legislature sets how much revenue Maui County can keep from the TAT generated by the hospitality industry in the County. The Council also has no authority to set the General Excise Tax (GET) rate. The limited-time authority to add a surcharge to the GET for transportation projects will sunset shortly.

Thank you again for taking the time to testify by email on this matter.

Tasha Kama

Councilmember (Kahului Residency District)



COUNTY OF MAUL

200 S. High St., Rm 810 Wailuku HI 96793

Office: (808) 270-5501 | Tasha.Kama@mauicounty.us | Our Website

From: Maui <u>westyost.net</u> < <u>maui@westyost.net</u> > **Sent:** Wednesday, April 17, 2019 11:37 AM

To: Kelly King < Kelly.King@mauicounty.us >; Keani N. Rawlins < Keani.Rawlins@mauicounty.us >; Tasha A. Kama < Tasha.Kama@mauicounty.us >; Riki Hokama < Riki.Hokama@mauicounty.us >; Alice L. Lee < Alice.Lee@mauicounty.us >; Mike J. Molina < Mike.Molina@mauicounty.us >; Tamara A. Paltin < Tamara.Paltin@mauicounty.us >; Shane M. Sinenci

< <u>Shane.Sinenci@mauicounty.us</u>>; Yukilei Sugimura < <u>Yukilei.Sugimura@mauicounty.us</u>>

Subject: PROPOSED PROPERTY TAX INCREASE

Aloha Council Members,

We are writing to you today to voice our opposition to the proposed raise in property taxes for condo-hotels from \$9.38 per \$1,000 to \$15.41 per \$1,000, a 64% increase.

Tourism is a major industry in Hawaii – particularly on Maui. Almost doubling property taxes will depress property values, discourage property purchases, discourage rental of those properties, potentially send the Maui real estate market into recession and ultimately hurt tourism.

With GET and TAT taxes continually increasing, a huge increase in property taxes could devastate tourism. Condo owners, in most cases, depend on rental income to be able to afford the high real estate prices. Undoubtedly, many condo owners will be forced to sell their units because rental ownership will become even more of a loser than it already is.

We hope you realize that as non-resident owners we, and many other owners, spend significant money keeping our condos in prime rental condition.

We purchased our condo in 2006—since that time we have spent tens of thousands of dollars so our unit can be rented to tourists visiting Maui. Our guests spend significant monies on Maui's restaurants, retail outlets, and on activities while visiting the island.

We ask that you reconsider this enormous tax increase keeping in mind how this will hurt us, tourism and ultimately property values.....and it will discourage us from renting our beautiful unit to those visiting Maui.

Sincerely,

Bruce and Dorothy Marie West

From: Kelly King

Sent: Thursday, April 25, 2019 9:51 AM

To: EDB Committee

Subject: Fw: Proposed Property Tax Increase for Short Term Rentals on Maui

With Aloha.



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Carlos Fear <cfear82@aol.com> Sent: Tuesday, April 23, 2019 9:29 PM

To: Kelly King

Subject: Proposed Property Tax Increase for Short Term Rentals on Maui

As a property owner of a short term rental in Maui County I want to let you know that I am opposed to the proposed tax increases for short term rentals in Maui. Rental rates are already stretched to the limits of what tourists are willing to pay and are already in a poor competitive position relative to other similar locations. Any increase in property taxes for short term rentals will surely be passed on to tourists and will only lead to a less competitive position, less tourists willing to stay in Maui, and a loss of jobs associated with tourism.

Please adopt the Mayor's proposal for the 2020 budget and keep the status quo in place by limiting the Short Term property tax rate increase to \$9.55.

Sincerely,

Carlos Fear 500 Bay Dr,. 12B1&2 Lahaina, HI

From: Kelly King

Sent: Thursday, April 25, 2019 9:53 AM

To: EDB Committee

Subject: Fw: Proposed Tax Increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Charles Stockholm <chuckstock80@gmail.com>

Sent: Tuesday, April 23, 2019 6:30 PM

To: 'Keani.Rawlins@mauicounty.us.'; Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A.

Paltin; Shane M. Sinenci; 'Yukilei.Sugimura@mauicounty.us..'

Subject: Proposed Tax Increase

Dear Sirs,

I read in the paper of the proposed tax increase being considered on short term rentals in Maui County. The fact that increases of this size, would even be considered, is shocking and I have not found any other county either in Maui or elsewhere in our country imposing such a tax increase on their taxpayers. The average increases in property taxes seem to range from 3%-8% for rental properties. We are not in an inflationary period and we will not be in a competitive position with other resort areas when we increase taxes to this degree.. Maui has benefited from the tourist trade in recent years both in the terms of property owners, hotels, airlines ,etc. With an increase of such proportions property owners have no choice but to pass these taxes on to renters making us uncompetitive compared to other islands and destination points outside of Hawaii and other resort areas in the western half of the country.

It would appear that you are grouping short term rental property with hotels and time shares. This is a apples vs oranges comparison!!! With short term rental properties the owner has his own personal capital committed up. Capital that he has accumulated on his own and this proposed tax increase puts it at risk. Hotel capital normally comes from the capital market and they offer facilities that many renters can't afford. In time shares you have multiple owners who own a week or two as their share. The property is owned by the developer and the individual ownerships expire after an agreed upon time, so they have no personal assets at risk other than the time they have reserved through their time share ownership. In the case of the last two categories of property owners the income goes to a developer or stockholder and not the individual property owner.

You are proposing to penalize a real property owner with no time to offer a rebuttal. This is not democratic. You were elected by the voters of Maui, but you have given constituents very limited time to either attend your meeting or consider the tax consequences of your recommendation. Owners should be given a time to present their views in an orderly fashion.

I have stated some of the obvious reasons why I would be against such a proposal but more importantly this is a sector that creates jobs, creates stability in property values and creates value and opportunity to visitors who can't afford the luxury of a Maui hotel. Lastly, a tax increase of this magnitude will cause the property owner to pass the increase on to renters, which I mentioned above and these individuals will chose other islands who are more competitive. These type of tax increases will also be a major negative on potential corporate and individual investors considering operations on Maui as they will certainly see what is being proposed on one sector of the economy and they won't want to establish a business in this type of environment.

These are sensitive issues and firms like Amazon, as an example, cancelled a major construction project in New York City and moved to another state based on an unfriendly economic environment causing a major loss in job opportunities in their city and taxable income.

The largest economic effect will be in the loss of job/incomes for local residents in the entertainment/rental and affiliated businesses. This would include:

- 1. Maintenance workers
- 2. Gardeners
- 3. Pool workers
- 4. Plumbers
- 5. Housekeepers
- 6. Laundries & dry cleaners
- 7. Contractors
- 8. Property Managers
- 9. Reservationists
- 10 Concierge staff
- 11.Tile workers
- 12. Painters.
- 13. Appliance stores and staff
- 14. Electricians
- 15. CPA's
- 16.Interntet support workers
- 17. Blinds and shade installers
- 18. Handymen
- 19. Cabinet and wood workers
- 20 Security staff
- 21, Household retailers like Macy's Mind's, etc.
- 22. Costco, Safeway, Foodland, ABC and other commercial businesses.
- 23. Historical and cultural sites

I would strong advise not implementing the subject proposal, as stated, as it will have a large negative effect on the community and its reputation than the contribution that seems to be imagined. The increase proposed by the Mayor appears reasonable and fair in the present market.

Historically Maui has had an excellent reputation and one that has attracted tourists, investment and industry, which other counties in Hawaii have not been able to do in comparison to.

Mahalo,

Charles Stockholm Property Owner

From: Chris Markell <ecmarkell@earthlink.net>

Sent: Thursday, April 25, 2019 7:01 AM

To: EDB Committee

Subject: Proposed Tax Increase

Attachments: Maui County Tax Increase Proposal April 2019.docx

To: Chair Rawlins-Fernandez and Members of the Committee, Please see my attached letter of opposition to your tax increase proposal on property taxes

Thank you Chris Markell

Christopy (kelt in Postedor Were Consult set up 1 to 1 to 2 february in the 1 to 1 february

x

Virus-free. www.avg.com

April 24, 2019

Council Member Keani Rawlins-Fernandez Chairman, Budget & Finance Committee Maui County Council 200 South High Street, 8th Floor Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez and Members of the Committee:

My name is Chris Markell and my Mother and I own two condominiums at Maui Kamaole and have for over 10 years. We purchased these as rental units but chose Maui because of all the family holidays we had in Maui over the years that gave us such great memories! We oppose the drastic short-term rental rate increase from the current \$9.28 per \$1,000 of assessed value to \$15.41 per \$1,000. The hotel/resort, short-term rental and timeshare classifications are the highest tax rates for Maui County. We respectively request that we look at creating a more equitable share in tax rates.

There are many reasons we oppose this increase in tax such as:

High Property Values: Maui County's economy is powered in large part by a strong visitor industry, and year after year we see double digit increases to our industry's real property values, resulting in more tax revenues being collected. Based on the increase in property assessed values alone an additional \$14 million will be generated at the current RPT rates for Hotel/Resort, Short Term rentals and Timeshare. The additional tax revenue already produced by higher property values should be enough.

Economic Slowdown: Many signs have pointed to an economic slowdown over the past year as concerns have been shared by state economists, government leaders, and visitor industry experts. This point was amplified by a recent report by the Hawai'i Tourism Authority that reflected our industry having the worst February performance over the last decade. This is of concern as the month of February is typically the strongest for hotels and sets a benchmark for the remainder of the year.

Industry Competitiveness: The hospitality industry, which competes nationally and internationally against lower-priced destinations, cannot continue to pass on tax increases to our visitors while concurrently dealing with the state's high cost of living. While national comparisons on taxes are numerous, there is no denying that Hawai'i consistently ranks among the jurisdictions with the highest tax rates for lodging accommodations. We are keenly aware of our position in the visitor market and the cost of a Hawai'i vacation. Any forces that adversely affect our ability to compete, such as having to pass along higher taxes, also impact our appeal as a visitor destination, the availability of money to invest in new hotel properties or renovate existing ones, and employment within the hospitality industry and related travel businesses, all of which has a ripple effect across our entire economy. Small retail and restaurants attached to a hotel or resort will also be negatively impacted by this additional tax increase.

Impact on Hawai'i's Workforce: The cost of doing business in Hawai'i is already at a point where companies are having a difficult time turning equitable profits. The addition of increased taxes would produce an extra burden on our hotels and resorts forcing them to possibly look at cutting operational costs and ultimately workforce. We are aware that the hospitality industry is the number one private sector employer in Maui County as well as one of the highest taxed economic sectors, further levies could result in less jobs, employment cut backs, and curtailment of incentives.

In Conclusion: The hospitality industry has enjoyed 7 consecutive years of record increases. In this regard, remaining cost-competitive and not viewing the visitor industry as a source of endless wealth for government must be foremost if we are to maintain our status as a prime destination for many years to come. Furthermore, there are thousands of individuals from every County District who are your constituents, who are employed by lodging and hospitality businesses that are very dependent on their living from the visitor industry to support their families. We ask that you oppose measures that could threaten their livelihoods and place the number one provider of jobs in the state in jeopardy.

Respectfully Yours,

Chris Markell Owner Maui Kamaole J209 and D106

From: Kelly King

Sent: Thursday, April 25, 2019 9:46 AM

To: EDB Committee

Subject: Fw: Proposed Real Property Tax Rate

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku Hl 96793

From: Corrine Fabie <corrinefabie@yahoo.com>

Sent: Wednesday, April 24, 2019 5:58 AM

To: Kelly King

mauicounty.us

Subject: Proposed Real Property Tax Rate

Dear Council Member King:

I am writing to urge you to object to the proposed property tax rate increase on transient vacation rentals. Properties falling under the Short Term Rental Property tax classification (at the current tax rate) collectively pay \$80 million in property tax per annum. This is more than all the residents of Maui collectively, and more than all commercial properties and hotels combined.

This dramatic tax increase will not only discourage future investment in legal vacation properties (which has proven to be profitable for the County), it could negate any of the forward momentum the county has had in cracking down on illegal vacation rental properties. The move could:

- Drive some legal owners to reclassify and rent off the books.
- · Deter illegal rental owners from moving toward legalization.
- Lead to an overall nightly rate increase on transient rentals, leaving fewer tourist dollars to be spent elsewhere, and therefore harming local businesses.
- Cause some owners to sell their transient rental property, which may end up in the hands of those maintaining the property as a second home under the residential designation.
- Put some marginal homeowners into a position of default, thereby leading to additional policing for the recovery of non-payment of taxes.

I understand that there are sound justifications for small and incremental increases to various tax rates - the 1% increase to the Transient Accommodations Tax being the most recent example - but to implement a nearly 70% increase seems punitive, disproportionate, and unfair.

The Maui County Comprehensive Annual Financial Report (2018 FY CAFR) stated the following:

- Visitor arrivals are increasing (up 4.1% since 2016)
- Visitor dollars spent per day have risen (up 3.4%, to \$212 per visitor per day in 2017)
- Hotel occupancy and room rates increased and remained the highest in the state (\$353/night and 77.1%, respectively)
- · Commercial building authorizations are up \$92.8 million or 24.1 percent

For 2018, 4,272 additional new construction units are planned for all categories (778 Timeshare, 217 Condo, 150 Hotel/Condo, 626 Hotel, 125 Bed and Breakfast, 207 Short-term Rentals, 12 Transient Vacation Rentals, 699 Mixed Use, and 308 Mixed Use/Hotel).

The conclusion of the report addressed real property taxes, stating the following:

"The real property tax base for fiscal year 2019 of \$48.8 billion is an increase of \$2.9 billion or 6.3% from the fiscal year 2018. The

real property tax rates (per \$1,000 assessed valuation) for fiscal year 2019 slightly decreased for all classifications except for Hotel & Resort, and the addition of a Short-Term Rental classification. The following were the decreases in each category: Residential from \$5.54 to \$5.52, Apartment from \$6.32 to \$6.31, Commercial from \$7.28 to \$7.25, Industrial from \$7.49 to \$7.45, Agricultural from \$6.01 to \$6.00, Conservation from \$6.37 to \$6.35, Homeowner from \$2.86 to \$2.85, Time share from \$15.43 to \$15.41, Commercial Residential from \$4.56 to \$4.55, Hotel and Resort remain the same rate at \$9.37 and the addition of a Short-Term Rental set for \$9.28. The budgeted real property tax levy of \$321.5 million for fiscal year 2019 is an increase of \$18.3 million or 6.0% from fiscal year 2018, largely as a result of the higher tax rates."

In spite of decreases being provided to residential, apartment, commercial, industrial, agricultural, conservation, homeowner timeshare, commercial residential designations, Maui County still realizes a 6% / \$18.3M increase over FY 2018.

Once again it seems punitive and unfair to single out one of the highest taxed classifications and consider taxing it even more.

Once again, I urge you to object to the proposed property tax rate increase on transient vacation rentals.

Sincerely, Corrine Fabie Owner at Kamaole Sands, Kihei

From: Kelly King

Sent: Thursday, April 25, 2019 9:43 AM

To: EDB Committee

Subject: Fw: County of Maui - Proposed 60% Increase in Property Tax

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Craig Leone <craigmleone@outlook.com>

Sent: Wednesday, April 24, 2019 7:54 AM

To: Craig Leone

Cc: sherrileone63@icloud.com

Subject: County of Maui - Proposed 60% Increase in Property Tax

Dear City Councilors,

We strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals don't create jobs is completely false.

Short Term rental properties create work and jobs for many local residents in the following areas.

- · Reservations staff
- Housekeepers and Housemen
- Property managers
- Concierge and Activity Salespersons
- Accountants
- Online Marketers
- Offline Marketers
- Plumbers
- Carpet Cleaning Workers
- Flood Control Workers
- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies
- · Data and Technology Workers

- Painters
- Home Entertainment Professionals
- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Electricians
- Remediation Pros

A property tax increase of approximately 60% would have a significant impact to an owner. As an owner of the Short Term Rental I would have pass along that significant increase to my guests which in turn will have a negative impact on the many visitors that would otherwise stay in short term rentals. If short term rental rates increase visitors that choice to stay in short term rentals will be priced out of the market. They will choose to stay on other islands and or visit other places then Maui. Therefore having a significantly negative impact to the visitor revenue that contributes to the thriving Maui economy.

Please abandon this proposal that will ultimately have a very negative affect on everyone that enjoys Maui.

Sincerely,

Concerned Short Term Rental Owner

From: Kelly King

Sent: Thursday, April 25, 2019 9:48 AM

To: EDB Committee

Subject: Fw: Proposed Property tax increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: darryl zoback <darrylzoback@gmail.com>

Sent: Wednesday, April 24, 2019 4:55 AM

To: Kelly King

Subject: Proposed Property tax increase

Dear City Councillors,

We/I strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals don't create jobs is completely false.

Short Term rental properties create work and jobs for many local residents in the following areas.

- Reservations staff
- Housekeepers and Housemen
- Property managers
- Concierge and Activity Salespersons
- Accountants
- Online Marketers
- Offline Marketers
- Plumbers
- Carpet Cleaning Workers
- Flood Control Workers
- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies

- Data and Technology Workers
- Painters
- Home Entertainment Professionals
- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Flectricians
- Remediation Pros

A property tax increase of approximately 60% would have a significant impact to an owner. As an owner of the Short Term Rental I would have pass along that significant increase to my guests which in turn will have a negative impact on the many visitors that would otherwise stay in short term rentals. If short term rental rates increase visitors that choice to stay in short term rentals will be priced out of the market. They will choose to stay on other islands and or visit other places then Maui. Therefore having a significantly negative impact to the visitor revenue that contributes to the thriving Maui economy.

Please abandon this proposal that will ultimately have a very negative affect on everyone that enjoys Maui. Sincerely,

Concerned Short term rents owner Darryl Zoback

From: Kelly King

Sent: Thursday, April 25, 2019 8:46 AM

To: EDB Committee

Subject: Fw: Proposed Property Tax Rates for Short Term Rentals

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: D and S Gmail <dgsandscs@gmail.com> Sent: Wednesday, April 24, 2019 12:23 PM

To: Tasha A. Kama

Cc: Keani N. Rawlins; Kelly King; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci;

Yukilei.Sugimora@mauicounty.us; David Scott

Subject: Re: Proposed Property Tax Rates for Short Term Rentals

Dear Council Member Kama,

Thank you for your reply. We do appreciate the need for additional revenues for Maui County to fulfill its broad range of responsibilities to its citizens and guests. Our testimonial letter was not intended to imply that increases in taxes, property or otherwise, is unwarranted. Rather, our concern involves the proposed method by which these additional revenues would be obtained. Placing a disproportionate share of new taxation on one sub-class of property owner (Short Term Rentals), and effectively putting us in the same category as Hotels/resorts and time shares, we believe is both unfair and a distortion of the tiered taxation model that has been widely accepted and served us well for many years.

Rather, we would propose that the committee consider the more simple and egalitarian approach of raising all property tax sub-classes by the same proportion as required to insure that the county's current and future fiscal needs are met.

We appreciate this opportunity to offer our proposal to you and to the committee, and will look forward to your considered and equitable decision.

Sincerely,

Drs. David G. and Susanne C. Scott

475 Front Street No. 505 Lahaina, HI 96761

On Apr 24, 2019, at 10:38 AM, Tasha A. Kama < Tasha. Kama@mauicounty.us > wrote:

Mahalo for your testimony regarding the possible change to the real property tax (RPT) rate for Short-Term Rental.

As a Councilmember I understand your concern about the potential for an increase in the tax rate applied to Short-Term Rental properties and the likely impact on your household.

I hope that you understand, even if you only use your property for a short portion of the year, that our community has substantial needs for improvements to roads, parks, and other community facilities along with an increasing shortage of affordable housing and visible segments of our community who lack basic shelter. While your responsibility is to your household, my obligation, kuleana, is to the entire County of Maui. That kuleana demands that I address the outstanding needs and seek the revenue to do so.

The County's primary source of revenue to provide the facilities and services needed by our community is the real property tax. To generate the needed revenue, it is likely that real property tax rates will be increased.

As one of nine County Councilmembers, I am open to alternative funding strategies you and others may propose. Please note that the Council has no direct authority over the distribution of the Transient Accommodations Tax (TAT) – the State Legislature sets how much revenue Maui County can keep from the TAT generated by the hospitality industry in the County. The Council also has no authority to set the General Excise Tax (GET) rate. The limited-time authority to add a surcharge to the GET for transportation projects will sunset shortly.

Thank you again for taking the time to testify by email on this matter.

<image001.png>

COUNTY OF MAUI

200 S. High St., Rm 810

Wailuku HI 96793

Office: (808) 270-5501 | Tasha.Kama@mauicounty.us | Our Website

----Original Message----

From: D and S Gmail <dgsandscs@gmail.com>

Sent: Tuesday, April 23, 2019 10:59 AM

To: EDB Committee <EDB.Committee@mauicounty.us>; Keani N. Rawlins

<Keani.Rawlins@mauicounty.us>

Cc: Kelly King <Kelly.King@mauicounty.us>; Riki Hokama

<Riki.Hokama@mauicounty.us>; Tasha A. Kama <Tasha.Kama@mauicounty.us>;

Alice L. Lee <Alice.Lee@mauicounty.us>; Mike J. Molina

<Mike.Molina@mauicounty.us>; Tamara A. Paltin

<Tamara.Paltin@mauicounty.us>; Shane M. Sinenci

<Shane.Sinenci@mauicounty.us>; Yukilei.Sugimora@mauicounty.us; David
Scott <DGSandSCS@gmail.com>

Scott Desarrosca egillari.com

Subject: Proposed Property Tax Rates for Short Term Rentals

Dear Committee Chair Keani N. W. Rawlins-Fernandez and Members of the Economic Development and Budget Committee for Maui County,

We have recently become aware of a proposal before your committee to increase the tax rate for the property class Short Term Rentals from its current \$9.28/\$1000 to the current Time Share rate of \$15.41/\$1000; a 66% increase. For those of us who own properties of this type on Maui, such a profound increase seems unfair and unwarranted, and would add a significant financial burden to us when we, as a class, already provide approximately 25% of the county's property tax base.

Unlike hotels/resorts or time share owners, many of us who own houses or condominiums on Maui use them as our second homes, living on-island for significant portions of the year, and renting our homes during other periods as a way to help defray the expenses of second-home ownership. Even those owners who are not part-year residents would be best considered to be small business owners, an economic class that is generally encouraged and supported in most communities with preferential tax rates. While hotels/resorts and time shares are very important elements of our economy, they represent a completely different category of ownership, nearly always corporate, and their incentive for ownership is profit-driven, with added costs dispersed over a large group of corporate share holders. Short term rental owners are more likely to be individuals who have already made a major personal financial investment in Maui, have done so primarily for our love of the island and its people, and would bear the full weight of additional taxes on an individual basis.

As property owners on Maui we are fully supportive of your efforts to establish a budget that allows you to serve the needs of all of Maui's residents, but we encourage you to consider a more balanced approach to raising revenue as opposed to one that targets a class of property owners who are already heavily invested in our beloved island.

Thank you for your consideration.

Sincerely,

Drs. David G. and Susanne C. Scott 475 Front Street

No. 505 Lahaina, HI 96761

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:41 AM

To:

EDB Committee

Subject:

Fw: VACATION RENTAL PROPOSED TAX INCREASE

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793

From: Rentals Maui <aloha@rentalsmaui.com> Sent: Wednesday, April 24, 2019 3:18 PM

To: Kelly King

mauicounty.us

Subject: VACATION RENTAL PROPOSED TAX INCREASE

Aloha Councilmember,

My name is Dave Englert R(B), I am the Broker in Charge at Rentals Maui Inc. we manage 300 vacation rentals in South Maui. We would like to voice our concern about increasing the vacation rental tax rate. We understand that the money for infrastructure, maintenance, and improvements needs to come from somewhere; but there must be a less-lopsided alternative. We just recently had a 1% increase in the TAT which directed at travelers, even though this increase will be directed at owners the increase will naturally get passed on to the visitors through rate hikes to cover homeowners fixed costs.

Tourism is one of the three major pillars of our economy and I fear we will soon be pricing ourselves out of the market. Maui is one of the greatest beach destinations in the world (definitely the US), but I'm concerned the choice to visit other markets like Mexico, Florida, the Bahamas, parts of California etc. will become an easier choice and cheaper alternative. From there it's a ripple effect to all the local businesses: restaurants, shopping, rental car, activities, housekeepers, maintenance etc.

Lastly, it's been great seeing the county crack down on illegal vacation rentals over the last year. I feel this increase will also ignite another increase in illegal rentals to avoid the tax classification. This gives illegal use owners an unfair advantage by pricing less and the county loses the tax revenue.

Please let me know if you have any questions on my testimony.

Please do not pass this bill!

Aloha, David Englert



Rentals Maui (808) 879-2700 Rentals Maui.com Maui No Ka 'Oi - Maui is the Best!

From: Kelly King

Sent: Thursday, April 25, 2019 9:36 AM

To: EDB Committee

Subject: Fw: Proposed Property Tax Increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th FI Wailuku HI 96793 mauicounty.us

From: Dave Williams <davewil@mc.net> Sent: Thursday, April 25, 2019 8:59 AM

To: Kelly King; 'Keani.Rawlins@mauicounty.us'; 'Riki.Hokama@mauicounty.us'; 'Alice.Lee@mauicounty.us';

'Mike.Molina@mauicounty.us'; 'Tamara.Paltin@mauicounty.us'; 'Shane.Sinenci@mauicounty.us';

'Yukilei.Sugimura@mauicounty.us; ** Dave - Cell**

Subject: Re: Proposed Property Tax Increase

Aloha Tasha,

Thank you for your reply.

Like thousands of other condo-owners, our condo-resort was built decades ago The infrastructure was sufficient for the existing development and we believe we paid for this through existing property tax rates and considerable GE/TAT taxes.

It has been within the last 15 years that Maui has overbuilt visitor accommodations. Before Kaanapali North Beach was allowed to be built, before Kaanapali Resort hotels were allowed to expand with timeshares, and before additional Kapalua development was allowed, infrastructure was sufficient. Along with many residents, we voiced opposition to these and warned of the financial and infrastructure problems that would occur. The overbuilding of visitor accommodations also caused the strain on residential housing as people moved from the mainland to work at the new visitor accommodations.

It is, and was, the job of Maui Council to only approve new developments that show that they more than pay for affordable housing and infrastructure costs they caused via impact fees or with added revenue generated with existing tax rates. Owners of older properties,

whether residents or owners legally doing short term rentals, should **not** have their taxes increased to pay for infrastructure needs caused by new development.

Instead of penalizing, through higher taxes, owners of condo-resorts that have supported Maui for decades, Maui County should prosecute, fine, and foreclose on the hundreds of illegal short term rentals, mostly in residential neighborhoods. These are the ones that should be converted to long term rental use. Unfortunately, illegal rental owners have learned that in the rare instance they are fined, nothing is done if the fine is not paid. In other words, the County does not put a lien on the property, and then foreclose on the lien.

David Williams

----- Original Message -----

From: "Tasha A. Kama" < Tasha. Kama@mauicounty.us>

To: "Dave Williams" <davewil@mc.net>

Sent: 4/24/2019 4:51:45 PM

Subject: RE: Proposed Property Tax Increase

Mahalo for your testimony regarding the possible change to the real property tax (RPT) rate for Short-Term Rental.

As a Councilmember I understand your concern about the potential for an increase in the tax rate applied to Short-Term Rental properties and the likely impact on your household.

I hope that you understand, even if you only use your property for a short portion of the year, that our community has substantial needs for improvements to roads, parks, and other community facilities along with an increasing shortage of affordable housing and visible segments of our community who lack basic shelter. While your responsibility is to your household, my obligation, kuleana, is to the entire County of Maui. That kuleana demands that I address the outstanding needs and seek the revenue to do so.

The County's primary source of revenue to provide the facilities and services needed by our community is the real property tax. To generate the needed revenue, it is likely that real property tax rates will be increased.

As one of nine County Councilmembers, I am open to alternative funding strategies you and others may propose. Please note that the Council has no direct authority over the distribution of the Transient Accommodations Tax (TAT) – the State Legislature sets how much revenue Maui County can keep from the TAT generated by the hospitality industry in the County. The Council also has no authority to set the General Excise Tax (GET) rate. The limited-time authority to add a surcharge to the GET for transportation projects will sunset shortly.

Thank you again for taking the time to testify by email on this matter.

Saske Tono

Tasha Kama Councilmember (Kahului Residency District)



COUNTY OF MAUL

200 S. High St., Rm 810 Wailuku HI 96793

Office: (808) 270-5501 | Tasha.Kama@mauicounty.us | Our Website

----- Original Message -----

From: "Dave Williams" < davewil@mc.net>

To: <u>Kelly.King@mauicounty.us</u>; <u>'Keani.Rawlins@mauicounty.us</u>'; <u>'Tasha.Kama@mauicounty.us</u>'; 'Riki.Hokama@mauicounty.us'; 'Alice.Lee@mauicounty.us'; 'Mike.Molina@mauicounty.us';

<u>'Tamara.Paltin@mauicounty.us'</u>; <u>'Shane.Sinenci@mauicounty.us'</u>; <u>'Yukilei.Sugimura@mauicounty.us</u>; "** Dave - Cell**"

<<u>davewil@mc.net</u>>

Cc: mike.victorino@mauicounty.us Sent: 4/16/2019 9:09:23 AM

Subject: Proposed Property Tax Increase

To: 'Kelly.King@mauicounty.us'; 'Keani.Rawlins@mauicounty.us'; 'Tasha.Kama@mauicounty.us'; 'Riki.Hokama@mauicounty.us'; 'Alice.Lee@mauicounty.us'; 'Mike.Molina@mauicounty.us';

'Tamara.Paltin@mauicounty.us'; 'Shane.Sinenci@mauicounty.us'; 'Yukilei.Sugimura@mauicounty.us'

Subject: Proposed Property Tax Increase

Dear Council Members.

I write to voice opposition to the proposed increase in the property tax rate for condo-hotels from \$9.38 per \$1,000 to \$15.41 per \$1,000, <u>a 64% increase</u>.

Most of these condos were built 30 to 45 years ago, specifically to provide visitor accommodations. They were built at a time when Maui needed to create a visitor industry. They are owned by thousands of individual owners, not large hotel chains. These are not \$500+/night hotel rooms where a property tax increase might be insignificant compared to the room rate.

These condos are in properties such as Kaanapali Shores, Mahana at Kaanapali, Papakea, Royal Kahana, etc. Because of the cost of owning and maintaining a property by the ocean, they do not lend themselves to long term rentals. For example, the monthly maintenance fee at Mahana at Kaanapali is over \$1800/month for a 1-bedroom unit. That is before paying property taxes, insurance, or making even a small mortgage payment. After paying those items, and rental management fees, individual owners have little, if any, profit. The proposed tax rate increase, which would combine with the higher accessed values received this year, would be devastating.

How do these condos contribute to Maui? Most of these employee local housekeepers, front desk staff, maintenance staff and local rental management staff. A 1-bedroom unit at Mahana at Kaanapali creates over \$12,500/year in GE/TAT taxes and already pays over \$7600/year in property taxes.

Maui needs more affordable housing. I fully support vigorous legal action against the hundreds of illegal short-term rentals and permanently capping, at current levels, the number of legal short-term rentals in residential areas. But please do not penalize, by tax increases, the owners of legal short-term condo rentals that have been employing residents and paying substantial taxes for decades.

I ask that you reconsider, and reject, this proposed tax increase on legal short-term condo rentals.

Sincerely,

David Williams 120 Kualapa Pl. Lahaina, HI 96761

From:

Debbie King < Debbie.King@fourseasons.com>

Sent:

Thursday, April 25, 2019 3:51 AM

To:

EDB Committee

Subject:

Maui Visitors Bureau Funding

Economic Development and Budget Committee 200 S. High Street Wailuku, Hi 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Debbie King. I am a Sales Manager for Four Seasons Resort Maui and have been for the past 10 years. I am writing in support of the Maui Visitors Bureau's proposed FY 2020 budget.

Being a part of the visitor industry, I hear a lot about the Transient Accommodations Tax (TAT). I would suggest that perhaps, instead of the TAT just being part of the general fund, that it be listed as a separate revenue item. The County receives approximately \$23 million from TAT, and I feel that because it is a tax generated by visitors, it should be used to fund your concerns about infrastructure and other areas. In doing so, you can continue to fund the Maui Visitors Bureau, which is doing an excellent job.

I would greatly appreciate your consideration of Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo.

Warmest Aloha

Debbie King Regional Sales Manager - Travel Industry Four Seasons Resorts Hawai'i - Hualalai, Maui and O'ahu Voice: 843-836-1026

Fax: 808-874-6449

debbie.king@fourseasons.com

Connect with us at: http://www.fourseaso

http://www.fourseasons.com/hualalai

http://fourseasons.com/maui

https://www.fourseasons.com/oahu





From: Kelly King

Sent: Thursday, April 25, 2019 8:43 AM

To: EDB Committee

Subject: Fw: County Budget Revenues - 2 pages

Attachments: Property Tax Recommendations April-23-2019.docx

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Dick Mayer <dickmayer@earthlink.net>
Sent: Wednesday, April 24, 2019 2:46 PM

To: dickmayer@earthlink.net

Subject: County Budget Revenues - 2 pages

Subject: County Budget Revenues - 2 pages

Aloha,

Attached is the testimony that I will be presenting tonight (Wednesday) with regard to the budget's revenues.

I would welcome questions on these important matters.

Mahalo, Dick Mayer 283-4376 dickmayer@earthlink.net TO: Chair Keani Rawlings-Fernandez + Economic Development/Budget Committee Members FROM: Dick Mayer dickmayer@earthlink.net

RE: Maui County Budget and Revenues from Real Property Taxes

April 23, 2019

The following recommended reforms serve two purposes:

a) Greater Equity, and b) raising needed County Revenue

1. **GREATER EQUITY** Make the real property tax system more equitable and progressive by lowering taxes on residents who own the homes they live in, or own homes they rent long-term to residents, while raising taxes on wealthy investors who own luxury real estate and can afford to pay more. These will be two significant "subsidies" for residents.

Policy Reform A: Lower property taxes on the lower income segment of the Homeowner class by increasing the Homeowners' Exemption from \$200,000 to \$300,000 or \$400,000. This is more progressive than just lowering the Homeowner rate, as the benefits will be favor less expensive homes. You can resend the property assessment notices to homeowners with the revise lower net assessment.

Since it is too late to raise the exemption this year because property values have already been certified, the Council can give an automatic rebate of the amount that would result from increasing the Homeowner Exemption from $200,000 \Rightarrow 300,000$ or 400,000.

This would be either: $$2.85 \times $100 \rightarrow $285 \text{ per homeowner},$

Alternatively: \$2.85 X \$200 → \$570 per homeowner.

The FY2020 Real Property Tax Statistical Report (Page 3) indicates 26,120 homeowner properties. The tax cost would be $26,120 \times 285 = -\$7,444,200$, or $\times \$570 \rightarrow -\$14,888,400$.

Policy Reform B: Give a property tax break to the owners of housing units in the Residential class who rent to long-term to residents. The County already does this for a group of Apartment owners. Owners of about 2,500 condo units, which are legal for short-term rentals (tourist accommodations), are allowed to file a form each year declaring that they rent their condo long-term, thus getting the lower Apartment tax rate, and not the much higher Short-Term Rental rate.

The County could allow all Apartment and Residential owners to make use of that system and allow them to pay the Homeowner rate instead of the Apartment or Residential rate. This would encourage units to be long-term rentals.

2. **RAISE NEW REVENUE NEEDED FOR CRITICAL NEEDS,** such as affordable housing, roads, parks, deferred maintenance, employee benefits, etc.

Make up the cost of the two new "subsidies" by raising the rates on hotels and homes in the Short-term, Apartment and Residential classes **not** occupied by a resident owner or a long-term renter. In many cases, these homes are valued above Maui's median (often in the luxury class worth more than \$1 million each).

<u>Policy Reform C</u>: For many years, Maui's hotel/resort properties have had unrealistically low assessments <u>and</u> relatively low property tax rates. This has meant that homeowners and others on Maui must pay relatively high property taxes to compensate for the inadequate revenue that should be coming from the hotel and resort properties. Although Maui hotels have the highest REVPAR in the state, they have the lowest tax rate. Honolulu's proposed rate is <u>41% higher</u> than the Mayor Victorino's proposed rate (Honolulu \$13.90 vs Maui \$9.60).

One example of low assessments: the Grand Wailea hotel was sold last year for \$1.1 billion dollars and had a property assessment of only \$330 million. Other resort properties are similarly undervalued and should be reassessed at the "fair market" value, which Maui County Code requires:

MCC 3.48.290 Article VII. - Valuations The director of finance shall cause the fair market value of all taxable real property to be determined and annually assessed by the market data and cost approaches to value . . .

MCC 3.348.290 Article VII. Tax base and rate requires:

Except as exempted or otherwise taxed, all real property shall be subject to a tax upon <u>one</u> <u>hundred percent of its fair market value</u> determined in the manner provided by ordinance.

It now may be too late to change the FY2020 assessment. However, the <u>property tax rates</u> for hotel/ resort properties can be adjusted upward to collect the appropriate amount of revenue. The rate should be increased from the Mayor's proposed \$9.60 to approximately \$15 - \$18 for fiscal year 2019-20.

The council could request/require the real property tax division to reassess the hotels and resorts for the upcoming fiscal year 2021, thus allowing the rates to be dropped next year, when and if the property assessments have been accurately made.

If the hotel rate is set at \$16 for FY 2020 then there will be an additional \$18,840,825 of revenue compared to FY2019 ($$6.42 \times $2,934,708,550 \rightarrow $+$18,840,825$).

<u>Policy Reform D</u>: Equalize the Timeshare rate to the new hotel rate. The timeshare owners have contended for years that they should be taxed at the hotel rate, and they won that argument in court last year. So just do it. This is also the most prudent course for you to follow should, heaven forbid, Pat Wong's prediction of a win on appeal in the Timeshare case prove to be no better than his prediction of a win in the trial court, you will have capped the tax refund owed at its current amount.

If the timeshare rate is set at \$16 for FY 2020 then there will be an additional \$1,440,280 of revenue compared to FY2019. ($$0.59 \times $2,441,153,020 \rightarrow $+$1,440,280$)

Policy Reform E: Raise the rate on the vacation rental condo rate to the same level as the new hotel and timeshare rates. Until this year, FY 2019, the 11,000+ condos in the hotel zone (and condos allowed to rent to tourists under the grandfathering blessings of the Minatoya opinion) were classified with hotels into the Hotel/Resort property class and paid the same rate as hotels. This year, for the first time, they were put into their own class called Short-Term Rentals. If it was fair to charge them the same as hotels for the past ten years, it is fair to keep doing that. These condos are very valuable; their assessed value this year was \$9.4 billion, or an average of \$9.4 billion/11,679 = \$808,000. They allow their owners to generate enormous revenue from wealthy tourists. (Remember, if the owners of these condos live in them, or rent them long-term to local residents, they will get the much lower tax rates of Reforms A or B above.)

If the vacation rental condo rate is set at \$16 for FY 2020 then there will be an additional \$63,411,591 of revenue compared to FY2019. ($$6.72 \times $9,436,248.730 \rightarrow $+$63,411,591$)

<u>Policy Reform F</u>: Establish "Impact Fees" on new construction with the exception of truly affordable housing. The County already paid for the Impact Fee studies and calculations, along with the drafting of the appropriate proposed ordinances. Have this ready for FY2021.

From: Don Pyne <donpyne@gmail.com>

Sent: Thursday, April 25, 2019 4:57 AM

To: EDB Committee

Cc: Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama; Mike J. Molina; Tamara A.

Paltin; Shane M. Sinenci; yukilei.sugimura@mauicount.us

Subject: Maui County Budget Hearing

RE: Maui County Budget Hearings - I support fair tax rates

Dear Committee Chair Keani N.W. Rawlins-Fernandez and Economic Development and Budget Committee Committee Members,

This is my second communication expressing concern of rising property taxes affecting my Maui home. I am a 71 year old accountant and a Vietnam era veteran. My wife, also 71 (please don't let her know I added her age), is a clinical social worker. As an old surfer my dream has been to retire and move to Lahaina and live in our condo we purchased in 2015.

Our property taxes have increased 22.36% since our 2015 purchase. I encourage you to consider the consequences of additional increases on property taxes for homeowners who rent out their homes when not personally used. The application of a tax on commercial properties has some merit as those properties are in the business of renting to vacationers on a full time basis. However, like many other individuals we are not big time investors and have only one small condo. Currently we and our family are blessed to be able to use this condo for personal use. We rent it out when not used by us to help cover the high operating costs including property taxes. Ultimately, we hope to make it our retirement home.

One of the reasons we haven't retired is because of increasing costs such as high property taxes. I want to retire and become the beach burn I always wanted to be but may not be able to afford to do so.

If you deem it necessary to create a new tax, on behalf of myself and many others, I request you consider an exemption for home owners in our situation. An additional tax on value is inequitable. I am the primary source of paying for my condominium costs. My net rental income doesn't come anywhere near paying the costs of my property. Commercial properties sole source of their costs are from vacationer revenue.

Separately, I would like you to consider a adopting a cap on the annual property tax increases. I am sure you agree that 22% in four years is shocking. CA Proposition 13 gives retirees and people on limited income limit increases to no more than 1% per year.

Thank you for considering my testimony and I hope you will think about it as you continue to craft this bill.

Respectfully,

Don & Marsha Pyne 2560 Kekaa Drive, L301 Lahaina, HI 96761

From: Kelly King

Sent: Thursday, April 25, 2019 8:40 AM

To: EDB Committee

Subject: Fw: Comment and opposition to disproportionate increase in Tax Rates

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Don Smart <DonSmart100@msn.com> Sent: Wednesday, April 24, 2019 4:15 PM

To: Keani N. Rawlins

Cc: Kelly King; Yukilei Sugimura; Shane M. Sinenci; Tamara A. Paltin; Mike J. Molina; Alice L. Lee; Tasha A. Kama; Riki

Hokama

Subject: Comment and opposition to disproportionate increase in Tax Rates

To Keani N. W. Rawlins-Fernandez, Chairwoman, Maui County Economic and Budget Committee

Dear Ms. Rawlins-Fernandez and members of the committee.

I have a second home on Maui where my wife and I spend our winters. We also own two units in a condominium complex. I have heard about the proposed 60% increase in proper taxes for vacation rentals, and I wish to register my opposition to this extremely large incr

We typically rent our units to mostly retired individuals, many of whom simply cannot aff stay several weeks at a Maui hotel. We keep our units clean and affordable, feeling that reindividuals have served their own communities and now deserve some time in beautiful N

While I recognize that there is inflation, an increase of 60% is simply way above any reasincrease in the Maui budget unless there is a major project for which this money will be used to all categories of property - residential, agricultural, apartment, vacation rentals, hotels and time shares, is, in my opinion the proper method to raise the income to the mayor's budget.

Maui tourists spend considerable money when visiting - from restaurants to purchasing va products. This all helps the overall economy and keeps many individuals employed. As r owners we also employ local residents to help keep clean and upgrade our rental units. A substantial increase in the property tax rate for only vacation rentals is selecting a group w helps generate much of the income to the general population. This type of increase would in owners having to increase their rental rates to the point that tourism for the middle class be severely impacted.

I realize that Maui County has a severe shortage of affordable housing. I feel part of the p is reliance on service industries that do not pay well. I have talked with many local reside who have said their children must go to the mainland for adequate paying jobs. As a retire "technocrat" and former user of the Maui Super Computer I feel that the County Council v be well advised to encourage technological industries to locate on Maui thus offering resic variety of higher paying jobs.

I strongly urge the committee to consider raising rates across the entire spectrum of proper categories instead of a huge disproportionate increase to one category.

Sincerely,

Ant Inva

From: Kelly King

Sent: Thursday, April 25, 2019 10:30 AM

To: EDB Committee

Subject: Fw: Proposed Property Tax Increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: dorsey melton <dorseymelton@aol.com>

Sent: Thursday, April 25, 2019 10:25 AM

To: Tasha A. Kama

Cc: Kelly King; Keani N. Rawlins; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei

Sugimura

Subject: RE: Proposed Property Tax Increase

Please consider this: If this huge increase in short term rentals' property tax passes, it is possible that the value of rental properties will plummet. The reduction in property values will be catastrophic, not only for non-resident owners but also for kama'aina as well. In addition, if the market value of the property drops, so will the actual dollar amount of taxes due, since taxes are based on the underlying value of the property. In that case, nobody wins!

Mahalo, Dorsey Melton Owner at the Mahana at Ka'anapali

Sent from Mail for Windows 10

From: Tasha A. Kama

Sent: Wednesday, April 24, 2019 7:52 PM

To: dorsey melton

Subject: RE: Proposed Property Tax Increase

Mahalo for your testimony regarding the possible change to the real property tax (RPT) rate for Short-Term Rental.

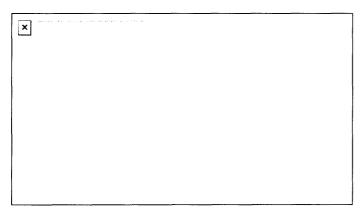
As a Councilmember I understand your concern about the potential for an increase in the tax rate applied to Short-Term Rental properties and the likely impact on your household.

I hope that you understand, even if you only use your property for a short portion of the year, that our community has substantial needs for improvements to roads, parks, and other community facilities along with an increasing shortage of affordable housing and visible segments of our community who lack basic shelter. While your responsibility is to your household, my obligation, kuleana, is to the entire County of Maui. That kuleana demands that I address the outstanding needs and seek the revenue to do so.

The County's primary source of revenue to provide the facilities and services needed by our community is the real property tax. To generate the needed revenue, it is likely that real property tax rates will be increased.

As one of nine County Councilmembers, I am open to alternative funding strategies you and others may propose. Please note that the Council has no direct authority over the distribution of the Transient Accommodations Tax (TAT) — the State Legislature sets how much revenue Maui County can keep from the TAT generated by the hospitality industry in the County. The Council also has no authority to set the General Excise Tax (GET) rate. The limited-time authority to add a surcharge to the GET for transportation projects will sunset shortly.

Thank you again for taking the time to testify by email on this matter.



COUNTY OF MAUI

200 S. High St., Rm 810 Wailuku HI 96793

Office: (808) 270-5501 | Tasha.Kama@mauicounty.us | Our Website

From: dorsey melton <dorseymelton@aol.com>

Sent: Tuesday, April 16, 2019 6:12 AM

To: Kelly King <Kelly.King@mauicounty.us>; Keani N. Rawlins <Keani.Rawlins@mauicounty.us>; Tasha A. Kama <Tasha.Kama@mauicounty.us>; Riki Hokama <Riki.Hokama@mauicounty.us>; Alice L. Lee <Alice.Lee@mauicounty.us>; Mike J. Molina <Mike.Molina@mauicounty.us>; Tamara A. Paltin <Tamara.Paltin@mauicounty.us>; Shane M. Sinenci <Shane.Sinenci@mauicounty.us>; Yukilei Sugimura <Yukilei.Sugimura@mauicounty.us>

Subject: Proposed Property Tax Increase

Dear Committee Members.

I write to you today to voice my opposition to the proposed raise in property taxes for condo-hotels from \$9.38 per \$1,000 to \$15.41 per \$1,000, a 64% increase.

Tourism is a major industry in Hawaii and, in particular, in Maui. Almost doubling property taxes will depress property values, discourage property purchases, potentially send the Maui real estate market into recession and ultimately hurt tourism.

With TAT taxes continually increasing, a huge increase in property taxes could devastate tourism. Condo owners, in many cases, depend on rental income to be able to afford the high real estate prices.

I hope you realize that non-resident owners spend significant money on the island keeping our condos in prime rental condition, and our guests spend money in restaurants, retail outlets, and on activities while visiting the island.

I ask that you reconsider this enormous tax increase keeping in mind how this will negatively impact tourism and ultimately property values.

Sincerely, Dorsey B. Melton Owner at Mahana

Sent from Mail for Windows 10

From: Kelly King

Sent: Thursday, April 25, 2019 8:44 AM

To: EDB Committee

Subject: Fw: property tax proposal

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Edward Dimmer < dimmered@comcast.net>

Sent: Wednesday, April 24, 2019 1:34 PM

To: Kelly King

Subject: property tax proposal

Dear Council member Kelly King,

I know you have received numerous e-mails about the proposed real property tax hike and supporting arguments. I agree with these arguments on the economic impact. The anticipated gains in tax will likely be offset by declines in property occupancy leading to a reduction of collected GET and TAT. It may also have a negative impact on property values as these rental properties have diminished returns. The tourists themselves may tighten their belts once they land in Maui to offset the increased cost of lodging. On a personal note my wife and I will be residents in less than two years and have purchased two condominium units (one to help support our retirement). The proposed tax increase might make it necessary for us to sell one unit as soon as possible (perhaps many more investors would come to the same conclusion) and invest elsewhere. The result would be declining property values and thus diminishing real property tax revenues over time.

Perhaps a more "take it easy approach" would yield better tax results over the long haul. Over the twenty years we have visited Hawaii we have come to love Maui and feel strongly about the well being of Maui and it's people. In Arvada CO we share many of the same pressing monetary issues but have taken approaches that encompass the input of everyone including businesses and investors. I am sure the committee will be able to "sharpen the pencils" and work through all the issues to come up with an acceptable plan of action.

With the spirit of Aloha, Edward & Maro Dimmer Soon to be residents at: 2481 Kaanapali Parkway unit 1110

From: Kelly King

Sent: Thursday, April 25, 2019 9:46 AM

To: EDB Committee

Subject: Fw: Proposed 60% Increase in Property Tax

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl Wailuku Hl 96793

Wailuku HI 96793 mauicounty.us

From: BILL HARTLEB < bill.hartleb@gmail.com > Sent: Wednesday, April 24, 2019 6:13 AM

To: Kelly King

Subject: Proposed 60% Increase in Property Tax

Dear Kelly T. King,

We strongly object to the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels.

Firstly, short term rentals not only create jobs (property managers, repair and maintenance individuals etc), short term rentals also provides an affordable means to visit Maui which in return is a stimulant to its economy (tourist activities, shopping, etc). We are individual owners, not a large chain that handle economic ups and down of the tourist industry. If property taxes increase, our rental rate would need to be increased. The reasonably priced short term rentals that accommodate a family would be impacted negatively by the 60% tax increase cost which we would have to be pass on to renters. Long term, the impact could reduce the tourist Maui depends upon. Please reconsider this proposal.

Sincerely, Elaine & William Hartleb

Concerned Short Term Rental Owner

From: Kelly King

Sent: Thursday, April 25, 2019 8:40 AM

To: EDB Committee

Subject: Fw: Oppose tax rate increase on short term rentals

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Erin Carey <erin@alohawailea.com> Sent: Wednesday, April 24, 2019 3:49 PM

To: Kelly King

Subject: Oppose tax rate increase on short term rentals

Dear City Councillors,

I strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals don't create jobs is completely false. Short Term rental properties create work and jobs for many local residents in the following areas.

- Reservations staff
- Housekeepers and Housemen
- Property managers
- Concierge and Activity Salespersons
- Accountants
- Online Marketers
- Offline Marketers
- Plumbers
- Carpet Cleaning Workers
- Flood Control Workers
- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies
- Data and Technology Workers
- Painters
- Home Entertainment Professionals
- Dry Cleaning and Professional Washing Workers

- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Electricians
- Remediation Pros

A property tax increase of approximately 60% would have a significant impact to an owner. As an owner of the Short Term Rental I would have pass along that significant increase to my guests which in turn will have a negative impact on the many visitors that would otherwise stay in short term rentals. If short term rental rates increase visitors that choice to stay in short term rentals will be priced out of the market. They will choose to stay on other islands and or visit other places then Maui. Therefore having a significantly negative impact to the visitor revenue that contributes to the thriving Maui economy.

Please abandon this proposal that will ultimately have a very negative affect on everyone that enjoys Maui. Sincerely,

Erin Carey

From: Ethan Moengchaisong <t.moengchaisong@menlo.edu>

Sent: Thursday, April 25, 2019 8:08 AM

To: EDB Committee Cc: EDB Committee

Subject: EDB-1 Support for Maui Economic Development Board

After graduating from Kekaulike High School on the slope of Mt. Haleakala in May of 2016, I started my undergraduate journey in the heart of Silicon Valley at Menlo College, a small, 4-year business school. The first time I met the MEDB team was during the summer of my freshman year at Startup Weekend Maui, when I was visiting home. What really captured me was the MEDB team's commitment to the Maui community. Entrepreneurship was not a concept that the locals were accustomed to, and in this small island, I doubt it was easy to get over 70 people to come together in the name of building startups. The keynote speaker on that Friday night talked about his upbringing in the startup world as a small town kid from the islands, inspiring all the locals attended, myself included. I got a chance to meet and work with some of the most amazing developers, marketers, and designers, many of which were from the island, and many also flew from half way around the globe just to attend this event. I learned so much in that one weekend that no amount of textbooks and classrooms would be able to teach me. After a weekend long of validating ideas, building a feasible business model, and establishing the minimum viable product (MVP), our safetywristband-for-ocean-goers startup won third place at the final pitch stage on Sunday night. Because of MEDB, I found a new way of looking at myself and the world around me. During the closing remarks for the Startup Weekend Maui, I realized that this is the community that I belong to. "I want to bring this event to my University," I said to Gerry, the lead organizer from MEDB. My life was never the same after that.

I was back in California when the fall semester started, and within the first week of being back, I walked into the Dean's Office and started pitching the idea for Startup Weekend event; the pitching skills I learned during that previous summer came in quite handy! Our event took nearly 6 months to plan with the student-lead team that I gathered. The last couple months of organizing felt like a full-time job, which included everything from raising sponsorship money to securing successful Silicon Valley entrepreneurs as mentors and judges. Our event launched in late April of 2018 at Menlo College with a heavy emphasis on social impact, and the feedback was overwhelmingly positive. Of course, it would not be remotely possible had it not been for the support of MEDB team, who took the time to hop on regular calls with our team and advised us through things like budgeting and marketing throughout the organizing process.

Today, I've organized and co-faciliated 3 startup weekends in the San Francisco Bay Area, and more are on the horizon. I've helped hundreds of people launched their startups through startup weekend by connecting them with aspiring co-founders and some of the best startup and corporate mentors in the Valley from companies like Google, Levi Strauss, Facebook, Impossible Foods, and more. It is my goal to bring back home what I've learned here in Silicon Valley to help foster the local communities of Maui. I hope that one day, as a small town kid from up country Maui, I too can help inspire our local population. MEDB has impacted my life in the most incredible way possible. I am forever grateful for their support, and to follow their footstep will be the greatest privilege of my life.

Sincerely,

Ethan Moengchaisong

Innovation Management Student, Menlo College '20



Phone: 808.740.8014 (please leave voicemail)	
Email: t.moengchaisong@menlo.edu	
X	

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:44 AM

To:

EDB Committee

Subject:

Fw: RPT

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku Hl 96793

mauicounty.us

From: Francine Aarona <mopsaarona@gmail.com>

Sent: Wednesday, April 24, 2019 7:50 AM

To: Keani N. Rawlins; Kelly King; Mike J. Molina; Tamara A. Paltin

Subject: RPT

Aloha Council Ohana,

Forgive me for not being able to be there in person to ask for your support in proposed changes to the RPT for Hotels and STRH...there is also agriculture land that have million dollar homes operating TVR's.

Because we are blessed with beautiful islands we experience more than our fare share of visitors. The alarming part of it all is that they also purchase our lands because they see a big profit at the end of that rainbow.

We must protect our land, our culture, and our way of life, not their's. We must take care of our people and their needs. We're having to make adjustments when we go fishing, or take our Keiki to enjoy our beaches. We are prohibited to enjoy some of our beaches because of the hotels or shoreline vacation rentals.

I am confident that you will make things right for the people of Maui♥

Respectfully, Aunty Mopsy/Protect Pa'ia (Francine Aarona)

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:46 AM

To:

EDB Committee

Subject:

Fw: Real Property Tax increase proposal - Short terms rentals

With Aloha,



mauicounty.us

Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th FI Wailuku HI 96793

From: Frank Balluff < frankbal2000@gmail.com>

Sent: Wednesday, April 24, 2019 12:03 PM

To: Kelly King; Keani N. Rawlins; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Real Property Tax increase proposal - Short terms rentals

Dear Mr Mayor and Maui County Council Members,

My wife and I are owners of short term rental property in Kapalua. We have recently been made aware of Council member Rawlins-Fernande's and Tasha Kama's proposals to dramatically increase the property tax rates for short term rentals.

Either proposal will have a great potential rate increase for Maui short term rentals and will steer potential visitors to other Hawaiian islands. The trickle down effect to Maui vacation rentals will be immediate as owners require higher rates. This action will undoubtedly have severe consequences as many families and budget conscience visitors will have second thoughts about coming here for their vacation and choose other destinations. Given that Maui is already the most expensive of the islands, the additional cost per week could easily lead a family of 4 to choose to go to Oahu, Big Island, or Kauai instead or not even come to Hawaii. We think you can see how this will have a devastating impact on the entire economy of Maui County which relies almost exclusively on tourism.

We urge council members to adopt the Mayor's proposal for the 2020 budget which recommends a reasonable Short Term property tax rate increase to \$9.55. This is the only sensible proposal which does not seriously threaten the economic livelihood of Maui County and its people.

Although the current proposal is highly favorable to residential homeowners who already enjoy some of the lowest property tax rates in all of the US, it will open a Pandora's box of unintended consequences which will gravely harm the county's two largest economic engines: tourism and real estate. No one wants a slightly lower property tax bill if it means losing their job because fewer visitors come to Maui. However, that is a very real possibility should the council approve the current proposals.

Maui is increasingly becoming a destination for only the very wealthy whether for buyers or renters. Eventually there will be a breaking point and the above council member proposals move Maui closer to that.

Sincerely, Frank and Becky Balluff Owners of Kapalua Bay Villa 34B1,2

From:

Sent: Thursday, April 25, 2019 10:00 AM

Kelly King

To: EDB Committee

Subject: Fw: Proposed 60% Tax Increase for Short Term Rentals

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Garth Bright <gdbri2003@yahoo.com>

Sent: Tuesday, April 23, 2019 4:45 PM

To: Kelly King

Subject: Proposed 60% Tax Increase for Short Term Rentals

Dear City Councillors,

We/I strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals don't create jobs is completely false.

Short Term rental properties create work and jobs for many local residents in the following areas.

- Reservations staff
- Housekeepers and Housemen
- Property managers
- Concierge and Activity Salespersons
- Accountants
- Online Marketers
- Offline Marketers
- Plumbers
- Carpet Cleaning Workers
- Flood Control Workers
- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies
- Data and Technology Workers
- Painters
- Home Entertainment Professionals

- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Electricians
- Remediation Pros

A property tax increase of approximately 60% would have a significant impact to an owner. As an owner of the Short Term Rental I would have pass along that significant increase to my guests which in turn will have a negative impact on the many visitors that would otherwise stay in short term rentals. If short term rental rates increase visitors that choice to stay in short term rentals will be priced out of the market. They will choose to stay on other islands and or visit other places then Maui. Therefore having a significantly negative impact to the visitor revenue that contributes to the thriving Maui economy.

Please abandon this proposal that will ultimately have a very negative affect on everyone that enjoys Maui. Sincerely,

Concerned Short Term Rental Owner

Garth Bright

From: Kelly King

Sent: Thursday, April 25, 2019 9:45 AM

To: EDB Committee

Subject: Fw: Proposed Real Property Tax Rate

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Gina Jarin <gina@ibpis.com>

Sent: Wednesday, April 24, 2019 6:31 AM

To: Kelly King

Subject: RE: Proposed Real Property Tax Rate

Dear Council Member King:

I am writing to urge you to object to the proposed property tax rate increase on transient vacation rentals.

Properties falling under the Short Term Rental Property tax classification (at the current tax rate) collectively pay \$80 million in property tax per annum. This is more than all the residents of Maui collectively, and more than all commercial properties and hotels combined.

This dramatic tax increase will not only discourage future investment in legal vacation properties (which has proven to be profitable for the County), it could negate any of the forward momentum the county has had in cracking down on illegal vacation rental properties. The move could:

- Drive some legal owners to reclassify and rent off the books.
- · Deter illegal rental owners from moving toward legalization.
- Lead to an overall nightly rate increase on transient rentals, leaving fewer tourist dollars to be spent elsewhere, and therefore harming local businesses.
- Cause some owners to sell their transient rental property, which may end up in the hands of those maintaining the property as a second home under the residential designation.
- Put some marginal homeowners into a position of default, thereby leading to additional policing for the recovery of non-payment of taxes.

I understand that there are sound justifications for small and incremental increases to various tax rates - the 1% increase to the Transient Accommodations Tax being the most recent example - but to implement a nearly 70% increase seems punitive, disproportionate, and unfair.

The Maui County Comprehensive Annual Financial Report (2018 FY CAFR) stated the following:

- · Visitor arrivals are increasing (up 4.1% since 2016)
- Visitor dollars spent per day have risen (up 3.4%, to \$212 per visitor per day in 2017)
- Hotel occupancy and room rates increased and remained the highest in the state (\$353/night and 77.1%, respectively)
- Commercial building authorizations are up \$92.8 million or 24.1 percent

For 2018, 4,272 additional new construction units are planned for all categories (778 Timeshare, 217 Condo, 150 Hotel/Condo, 626 Hotel, 125 Bed and Breakfast, 207 Short-term Rentals, 12 Transient Vacation Rentals, 699 Mixed Use, and 308 Mixed Use/Hotel).

The conclusion of the report addressed real property taxes, stating the following:

"The real property tax base for fiscal year 2019 of \$48.8 billion is an increase of \$2.9 billion or 6.3% from the fiscal year 2018. The

real property tax rates (per \$1,000 assessed valuation) for fiscal year 2019 slightly decreased for all classifications except for Hotel & Resort, and the addition of a Short-Term Rental classification. The following were the decreases in each category: Residential from \$5.54 to \$5.52, Apartment from \$6.32 to \$6.31, Commercial from \$7.28 to \$7.25, Industrial from \$7.49 to \$7.45, Agricultural from \$6.01 to \$6.00, Conservation from \$6.37 to \$6.35, Homeowner from \$2.86 to \$2.85, Time share from \$15.43 to \$15.41, Commercial Residential from \$4.56 to \$4.55, Hotel and Resort remain the same rate at \$9.37 and the addition of a Short-Term Rental set for \$9.28. The budgeted real property tax levy of \$321.5 million for fiscal year 2019 is an increase of \$18.3 million or 6.0% from fiscal year 2018, largely as a result of the higher tax rates."

In spite of decreases being provided to residential, apartment, commercial, industrial, agricultural, conservation, homeowner timeshare, commercial residential designations, Maui County still realizes a 6% / \$18.3M increase over FY 2018.

Once again it seems punitive and unfair to single out one of the highest taxed classifications and consider taxing it even more.

Once again, I urge you to object to the proposed property tax rate increase on transient vacation rentals.

Sincerely,

Gina Jarin Owner at Kamaole Sands, Kihei

From: Ginny Belba <butterflywhisperer7@gmail.com>

Sent: Thursday, April 25, 2019 4:25 AM

To: EDB Committee; KeaniRawlins@mauicounty.us

Subject: Proposd Tax Increase for Short Term Rentals

Attachments: letter to Econ. Dept. & Budget4.24.docx

April 24,2019

Economic Development and Budget Committee

Chairperson, Keani N.W.Rawlins-Fernandez

KeaniRawlins@mauicounty.us

Re; Proposed Tax Increase in ShortTerm Rentals

Dear Madam Chair and Committee Members:

I am writing to you to request that you and the Committee members reconsider a proposed increase in our property tax category to that of Hotels and Timeshares.

Short Term Rentals are currently taxed at \$9.28/1,000, the 3^{rd} highest category, exceeded only by that of Hotel & Resorts and Timeshares. The current Timeshare rate is \$15.41/1,000. This kind of increase would mean a 66% increase for us, and places an unfair burden on our four owners and guests of our owners.

We are a group of four owners who have had the benefit of family vacations, dating back to the 1980's, with our children and grandchildren, and sometimes with our siblings and their families. Over the years our Kaanapali Shores home has been our "home away from home", where we have become a part of the Maui community as well as contributing to the local economy. We bear no resemblance to Hotels and or Timeshares.

Our ownership arrangement for management of what income we derive, allows us to keep our condo in good repair, to pay our expenses and association fees and replace furnishings in a timely way.

In the near future we will likely be faced with a special assessment by our Association for replacement of our large sliding glass exterior doors. Reserve money put aside for this kind of project could be at risk in the event of a large expense as your proposed tax increase.

I am asking that you reconsider this proposed increase. It would have a tremendous impact on our budget, and as well, to so many others who also bring positive economic benefit to Maui. Please consider going back to the original proposal of a fair increase of 3%.

Respectfully yours,

Ginny Belba,

Kaanapali Shores, Unit 159

From:

Greg Ludwig < gregludwig4@yahoo.com>

Sent:

Thursday, April 25, 2019 8:52 AM

To:

EDB Committee

Subject:

Proposed Property Tax Increae

Dear City Councillors,

I strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals don't create jobs is completely false.

Short Term rental properties create work and jobs for many local residents in the following areas.

- Reservations staff
- · Housekeepers and Housemen
- Property managers
- Concierge and Activity Salespersons
- Accountants
- Online Marketers
- Offline Marketers
- Plumbers
- Carpet Cleaning Workers
- Flood Control Workers
- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies
- · Data and Technology Workers
- Painters
- Home Entertainment Professionals
- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Electricians
- Remediation Pros

Plus, all the other ancillary folks that earn money on Island and spend it here.

A property tax increase of approximately 60% would have a significant impact to an owner. As an owner of the Short Term Rental I would have pass along that significant increase to my guests which in turn will have a negative impact on the many visitors that would otherwise stay in short term rentals. If short term rental rates increase visitors that choice to stay in short term rentals will be priced out of the market. They

will choose to stay on other islands and or visit other places then Maui. Therefore having a significantly negative impact to the visitor revenue that contributes to the thriving Maui economy.

Please abandon this proposal that will ultimately have a very negative affect on everyone that enjoys Maui.

Sincerely,

Concerned Short Term Rental Owner

From: Kelly King

Sent: Thursday, April 25, 2019 8:44 AM

To: EDB Committee

Subject: Fw: Opposed to proposal of short term vacation rentals.

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Halliene Walker <paradise.hallie@gmail.com>

Sent: Wednesday, April 24, 2019 1:27 PM

To: Kelly King
Cc: Halliene Walker

Subject: Opposed to proposal of short term vacation rentals.

Aloha Kelley,

I hope you hear the voice of the residents that want to continue to see our island thrive and it is NOT by raising the tax that will by passed on to guests visiting our island!

They will simply find another destination place. I realize that this is the very thing some residents/locals want. However reality is, Maui is sustained by tourism.

There are a number of other areas were taxes can be raised. Punishing vacationers is not one of them. People save for years to come here and food, gas, lodging and excursions cost them thousands already.

Sincerely Hallie

From: Kelly King

Sent: Thursday, April 25, 2019 9:44 AM

To: EDB Committee

Subject: Fw: 60% Property Tax Increase **Attachments:** 60% property tax increase.docx

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Johanne Budde <johbud@hotmail.com> Sent: Wednesday, April 24, 2019 7:20 AM

To: Kelly King

Subject: 60% Property Tax Increase

Dear Kelly,

Please see our attached letter of concern regarding the proposed 60% increase in property tax.

Owner #53A Wailea Ekahi Village

Horst & Johanne Budde

April 24/19

Horst & Johanne Budde 5515 Braelawn Drive, Burnaby. BC V5B 4S8 Canada

Re: Wailea Ekahi Village

Proposed 60% Increase in Property Tax

Attn: Kelly T. King, Vice Chair

Dear Kelly,

I understand that City Council is considering a bylaw to change the property tax for Short Term Rental properties to more than Hotels and the rationale was that Short Term Rentals do not create jobs, and I think this is completely false. The list of jobs is quite long:

Housekeepers Property Managers

Accountants Plumbers

Electricians Carpet Cleaners

Glass Repairs Local Baby Rental Companies

Furniture Stores Dry Cleaners
General Handymen Painters
General Contractors Tile Installers

Local Car Rental Companies Security Companies
Upholsters and Cleaners Local restaurant Owners

A property tax increase of approximately 60% would have a significant impact on us as owners to be able to bring guests to our condo unit. This is especially hard for the Canadians as the Canadian dollar is worth much less that the US Dollar by up to 30%. The island as a whole will lose out on many benefits as the visitors will look for other locations to visit such as Mexico, which is very competitive to our renters.

Please reconsider this plan as it will greatly impact negatively on us as owners and Maui in General.

Horst & Johanne Budde

#53A Wailea Ekahi Village

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:52 AM

To:

EDB Committee

Subject:

Fw: Proposed Tax Rate

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th FI Wailuku HI 96793 mauicounty.us

From: indklingler@fuse.net <indklingler@fuse.net>

Sent: Tuesday, April 23, 2019 7:10 PM

To: jndklingler@fuse.net **Subject:** Proposed Tax Rate

We are Jim and Donna Klingler and we own a condominium at the Maalaea Yacht Marina Resort in Maalaea. We are writing to express our strong objection to the proposed 60% increase in the property tax rate for Vacation Rental properties. We feel this will greatly harm tourism and real estate values on Maui. Many owners, such as us, will be forced to sell our second homes on Maui because of the burden of paying this increase in our property taxes. Many tourists will no longer be able to afford to vacation on Maui if we are forced to raise our rental rates. If owners are forced to sell, this flooding of the market will lower all property values. We urge you to support the Mayor's proposal to keep property tax rate increases reasonable.

Mahalo.

--

James R Klingler

From: Kelly King

Sent: Thursday, April 25, 2019 8:44 AM

To: EDB Committee

Subject: Fw: Proposed increase on Vacation Rental Taxes !!!

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Maui Kamaole B201 < southkiheicondo@gmail.com>

Sent: Wednesday, April 24, 2019 1:16 PM

To: Kelly King

Subject: Proposed increase on Vacation Rental Taxes !!!

Council Chair:

The proposed Vacation Rental Real Estate Tax increase hasn't been thought out till the end. As an out-of-state owner I pay a higher RE tax to begin with and to increase it by 60% because I rent it out is punitive.

If my taxes go up I need to pass it on to the guests and I am not the only one to do so. Many of them will go elsewhere or simply spend less. Do you remember what the island was like the year the peso was devalued in the 80's?? Tourism came to a screeching halt and so many business closed or were set back financially.

I personally employ a cleaning service, handy man service, carpet cleaning service, local bookkeeper, screen door repair, photographer, RE agent....... Every new thing I buy for my unit: carpet, TV, sliding door screen, bed, sheets, salt and pepper, art I buy here from local merchants.. The more of my money spent on taxes, the less spread out in the community.

I know there is a housing problem in Maui but taxing me out won't help that problem.

Cracking down on illegal Airbnb's - the people renting long term apartments and renting them out nightly - will do a lot more to create more housing.

Please do not increase my taxes !!!

Love and Aloha

Jan Hickling 425-442-8606

Maui Kamaole Vacation Rental Condo
What people are <u>saying about us</u>
Find us at <u>Facebook MauiKamaoleB201</u>
Stay with us at <u>Are your dates open? Check now!</u>
Instagram <u>Maui.Kam_B201</u>

From: Kelly King

Sent: Thursday, April 25, 2019 8:39 AM

To: EDB Committee

Subject: Fw: PROPOSED PROPERTY TAX INCREASE

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: mauivacations@me.com <mauivacations@me.com>

Sent: Wednesday, April 24, 2019 4:31 PM

To: Kelly King

Subject: PROPOSED PROPERTY TAX INCREASE

Aloha Kelly,

I want to voice my strong opposition of the county council's proposed property tax increase to hotel-zoned properties and vacation rental homes.

I am employed by three owners who hire me and my husband to assist their vacation guests. Without this position and income, my husband and I would not be able to afford our home on Maui.

We have raised our family here and lived here for 40 years. The expensive commercial property tax caused rental price increases on our former retail business locations which forced us out of business on Maui. Please don't force us out of this industry as well.

Out-of-state owners who employee us to look after their properties not only allow us to earn a living wage, but employ cleaners, personal chefs, and many other industries such as massage therapists who can charge a fair wage that hotels do not offer.

Vacationing families also support a vast array of local businesses and they would not be able to afford hotel rooms that help them enjoy time together on Maui that personal homes offer them.

Without a strong and affordable tourist industry for families staying in homes and condos here, many local businesses would not be able to survive or thrive.

Please strongly consider the devastating impact of raising hotel-zoned property taxes. It will truly make it difficult for those with these properties to continue to operate, and less affordable for visitors. It will suppress our top industry that my family and I depend on.

In a similar vein, several times this week, my vacation guests complained about the high TAT taxes charged and wanted to pay my owners direct to avoid those taxes. Of course, that is not possible in running a legal business, but when a government system is perceived as corrupt or unfair, psychology has proven that people will tend to try and cut corners in other ways.

Please do not tax current permitted vacation rental owners out of business. Hard-working Maui residents like me all depend on this wonderful industry.

With Great Concern,

Janna Schlag 180 Kuli Puu St Kihei, HI 96753

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:49 AM

To:

EDB Committee

Subject:

Fw: April 2019 meeting

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th FI Wailuku HI 96793 mauicounty.us

From: jena <jena_97@hotmail.com>

Sent: Wednesday, April 24, 2019 10:56 AM To: Kelly King; Riki Hokama; Tasha A. Kama

Subject: Fwd: April 2019 meeting

Sent from my iPhone

Begin forwarded message:

To whom it may concern,

I have written a letter on behalf of our family who has a condominium in Maui. It is below and also attached in PDF form.

Thank you for listening to my concerns in regard to the proposed property rate hike. We are a small business of 5 family members and we rely on the condo rental to pay the bills associated with the condo.

Jena Arntzen

Homestead Development

April 22, 2019

To Whom it may concern on the Maui County Committee,

My family owned company has a single bedroom condominium on Maui. We have rented it for the majority of the months over the years to help pay for the purchase price when we are not staying in it.

The Maui County proposed rate hike to increase the property tax rates 60% would cripple us. A rate hike this large would not be sustainable. Return visitors would not come back, they will shop for a cheaper destination like Mexico.

We use a management company for rentals and repairs. They employ sub-contractors for repairs and maintenance, cleaners, runners to restock inventory, accountants to pay the accommodation taxes, and many other local workers to keep our home clean and maintained when we are not there. The association that our condo is located in also maintains a large employee base to keep the grounds and amenities maintained, as well as coordinate with the visitors on rental cars, beach amenities, sightseeing, boat rentals and local shopping. If a large rate hike was imposed on this community, visitors would go elsewhere, therefore rental occupancy would go down, and revenue would decrease. People would lose their jobs.

If the property rates increase we have to increase our rental rates. If occupancy decreases due to rate increases we are unable to pay the mortgage, management fees, association fees and insurance. If we are unable to rent the unit our GET and TAT fees decrease, and the County of Maui loses money.

Find another solution besides raising condo and short term rental rates higher than the hotels. We are small business owners and families trying to make it. Cut spending, offer incentives to return to Hawaiian paradise, look at other tourist destinations to see what has worked for them. A large rate hike is not the right answer.

Thank you for your time,

Jena Arntzen Homestead Development Sugar Beach Condominiums Kihei, Hawaii

Sent from Mail for Windows 10

From: Jsalva3070 < jsalva3070@aol.com>

Sent: Thursday, April 25, 2019 11:12 AM

To:EDB CommitteeSubject:Tax Increase

HI my name is Joe Salvador I own a home at 43-1 Puamelia PI, Lahaina, (Puamana), Maui. I recently learned of the proposed tax increase on properties like mine. The Mayor submitted a budget with tax rates that are mostly the same as last year for all classifications except for Hotel-Resort and Short Term Rental, where he proposed an increase of approximately 3% in each.

However, on Wednesday the Budget committee chair made a proposal to increase tax rates in the Hotel-Resort and Short Term Rental tax classifications to the current tax rate of Time Share at \$15.41/\$1000. This would represent an increase of 66% from the current rate.

I am not a hotel or time share. I live on island 5 months a year the other 7 months I rent my home short term to help cover expenses. The people who rent my home are repeat tenants, they come every year. They contribute to the local economy as I do when I am on island.

My property taxes were doubled when Puamana was reclassified as a short term rental. Our tenancy dropped when this happened as we had to pass on additional rental charges to our tenants. On the Condo Use Declaration Form I file with the county of Maui. My home is a short term rental. I do not check the box Hotel/Resort or Time Share. My home sould not be taxed as a Hotel/Resort/Time Share. I bring value to the island of Maui by renting my property to guests when I am off island. I Do Not rent my home 24/7 365 a year as a Hotel-Resort or Time Share does. You would be raising my taxes as if I were renting my home 365 days a year as a hotel or time share does.

I appreciaate your help on this subject.

Joe Salvador

From:

Bonnie Gregory < johnbg@comcast.net>

Sent:

Thursday, April 25, 2019 6:12 AM

To:

EDB Committee

Subject:

property tax proposal

Dear Economic and Budget Committee members,

As out-of-state property owners for the past 45 years, we are **opposed** to the current Council proposal to raise Maui property taxes by 60%.

This huge jump in the tax rate is alarming. It is especially disturbing to not be informed of the purpose for which the funds will be spent.

The citizenship has the right to be told what is done with their money.

Written correspondence with property owners before the fact would enhance understanding of this drastic measure.

With deep concerns,

John & Bonnie Gregory 36 S. Kihei Road, #409 Kihei, Maui

5300 SW Landing Square 19A Portland, OR 97239

503-730-9815 John

From: Kelly King

Sent: Thursday, April 25, 2019 8:21 AM

To: EDB Committee

Subject: Fw: property tax proposal

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Bonnie Gregory < johnbg@comcast.net>

Sent: Thursday, April 25, 2019 6:16 AM

To: Kelly King

Subject: property tax proposal

Dear Kelly King,

As out-of-state property owners for the past 45 years, we are **opposed** to the current Council proposal to raise Maui property taxes by 60%.

This huge jump in the tax rate is alarming. It is especially disturbing to not be informed of the purpose for which the funds will be spent.

The citizenship has the right to be told what is done with their money.

Written correspondence with property owners before the fact would enhance understanding of this drastic measure.

With deep concerns,

John & Bonnie Gregory 36 S. Kihei Road, #409 Kihei, Maui

5300 SW Landing Square 19A

Portland, OR 97239

503-730-9815 John

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:43 AM

To:

EDB Committee

Subject:

Fw: Vacation Rental Property Tax Increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: J & L Dusckett <the2duscketts@gmail.com>

Sent: Wednesday, April 24, 2019 8:28 AM

To: Kelly King; Keani N. Rawlins; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Vacation Rental Property Tax Increase

Maui County Council Members:

We are John & Linda Dusckett and we own a condominium at the Milowai Resort in Ma'alaea. We are writing to express our strong objection to the proposed 60% increase in the property tax rate for Vacation Rental properties since this will greatly harm tourism and real estate on Maui. Many of us will be forced to sell our second homes on Maui because of the burden of paying this increase in our property taxes and many tourists will no longer be able to afford to vacation on Maui if we are forced to raise our rental rates. If owners are forced to sell, this flooding of the market will lower all property values. We urge you to support the Mayor's proposal to keep property tax rate increases at a reasonable rate. Mahalo for your consideration....

The Duscketts

From: Kelly King

Sent: Thursday, April 25, 2019 8:42 AM

To: EDB Committee

Subject: Fw: Vacation Rental Planning Commission Historical Perspective on Tax Increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th FI Wailuku HI 96793 mauicounty.us

From: John B Guard IV, R(B) < john@hawaiilife.com>

Sent: Wednesday, April 24, 2019 3:00 PM

To: Kelly King; Keani N. Rawlins; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Vacation Rental Planning Commission Historical Perspective on Tax Increase

Greetings Councilmembers,

First off thank you for your service. My name is JB Guard, lifelong resident of Maui, Firefighter with MFD, Realtor and Former Planning Commission Member (during the intial phase of testimony to allow Vacation Rentals). As a Planning Commissioner, We helped structure a workable Vacation Rental proposal for the residential areas. We only allowed a very few number of overnight accommodations and prohibited restaurant, resort retail, activities, etc that you do see in the Hotel Resort community. We also helped limit the number of units in each district to keep workforce housing numbers in place.

After a nightmare tenant ordeal that ended in a long court battle to get him evicted, losing months of my life to stress, being scared to leave my wife and animals at home with a crazy tenant next door to my bedroom, I opted to become a Vacation Rental owner. The County advised me that I could not be a B and B as we discussed that I have to move off property while helping with my wife's treatment and the potential to relocate to assist with parents, etc.

I was advised to get the TVR permit as the County was going to be fining non compliant illegal TVRs. I did, my taxes jumped from under \$2000 to near \$10,000/ year now as I had to give up my homeowner's exemption. Another 50% increase will be a huge burden for the few legal units in Paia/ Haiku. We already pay near 15% of revenue to GET and State TAT. This allows illegal users to charge far less and still make any money.

I only rent out my 2 bedroom cottage to a max of 4 persons, per my requirement. TimeShares and Hotels do not have this set against them. They can make noise all night, sell other things out of their property. My small cottage is a home away from home next to my home.

If I was lucky to get 200 nights/ year, the first \$100 of that would go to property tax and GE/TAT. Then I pay utilities, insure the County as additionally insured, supply everything needed, do laundry, yard work, clean, repair everything, etc. It is already a near break even business to keep fewer cars at my house and to have more privacy, and quiet (after the noisy last tenant I had).

I know we need affordable housing and am happy to help with a solution. Maybe violations collected could go to the Affordable Housing fund set up by Councilmember Molina??

The low hanging fruit are the illegal users not paying any taxes, claiming multiple home owner exemptions and sending these funds off island entirely. I use any money I get on island for my son's nannies (after my wife passed away in 2014), so I can go to work at the Fire Station for 24 hour shifts.

Please keep the Short Term rental taxes closer in line with Commercialized Residential and use the funds collected to go after the illegal houses advertising all over the internet, etc. I already feel that getting the permit was a mistake as most unlicensed owners are undercharging all of us and keeping an additional \$100/ day for themselves.

Those of us following the rules are in the minority and we are already paying a substantial amount and we are following our strict guidelines in order to keep our "revocable permits". I often blast Airbnb customer service about their BS tactics promoting nonlicensed homes. They could also remedy the situation by verifying permits with addresses, etc. For the future, consider how limited are uses are and that we are revocable permits. I would happily pay commercial or industrial rates to have the density improvements, yard setbacks changed, restaurant on site, etc. If a person wants to revert to Long term tenants, is there a way to recover the lost \$10,000 of taxes paid after we end the Short Term use of a property??

Thank you for your time. I am hoping to come down to the meeting if I can find a baby sitter for my son this evening.

I can always be reached via county email at the Fire Station or on my cell at 808-870-2227.

Aloha Pumehana.

JB Guard

JB Guard IV
REALTOR (RB-18262)
Hawai'i Life Real Estate Brokers
john@hawaiilife.com
808.870.2227
O'AHU | MAUI | HAWAI'I ISLAND | KAUA'I | HAWAIILIFE.COM
EXCLUSIVE AFFILIATE OF CHRISTIE'S INTERNATIONAL REAL ESTATE

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From:

Kelly King

Sent:

Thursday, April 25, 2019 8:19 AM

To:

EDB Committee

Subject:

Fw: Maui County's proposed tax increases to hotel-zoned properties and vacation rental

homes

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793

mauicounty.us

From: judy pedersen <mauidiva7@yahoo.com>

Sent: Thursday, April 25, 2019 6:45 AM

To: Kelly King; Keani.Rawlings@Mauicounty.us; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina;

Tamara.Pattin@Mauicounty.us; Shane M. Sinenci; Yukilei Sugimura

Subject: Maui County's proposed tax increases to hotel-zoned properties and vacation rental homes.

Dear Council Members,

I want to voice my strong opposition to the County Council's proposed property tax increase to hotel-zoned properties and vacation rental homes.

I own and operate a legal vacation rental in Kihei, and I have my General Excise Tax License and Transient Accommodations Tax Certificate of Registration through the State of Hawaii, Department of Taxation. We faithfully collect all taxes from out renters and submit them to the State of Hawaii in a timely manner. We are committed to operating in full compliance with all regulations. In addition to running a legal business, we also employ many local

people in Kihei including: real estate brokerage, house-cleaners, gardeners, window washers, pool cleaners, massage therapists, caterers, etc. I know for a fact that most of our staff rely heavily on the vacation rental business, and could not live in Maui if they didn't have this income. Also, our renters patronize local business and this all helps the local economy.

Most of our short-term renters are vacationing families who don't want to stay in a hotel. We have received so many lovely letters and comments from them, thanking us for sharing our home with them so they could make their family reunion the best. We are providing a venue where others can make lasting, wonderful memories. However, they are paying a dear price when the GE and TAT are added to the bill. It is a sacrifice for many of them, and if the taxes are raised, many might seek vacation destinations in another state.

Please strongly consider the devastating impact of raising hotel-zoned property taxes. It will truly make it difficult for us to continue to operate, will financially depress many local workers, and make it less affordable for visitors. It will suppress our top industry that I and many others depend on to survive.

Thank you for your consideration,

Judy and Daniel Pedersen

From: Kelly King

Sent: Thursday, April 25, 2019 9:52 AM

To: EDB Committee

Subject: Fw: Short term rental tax increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku Hl 96793 mauicounty.us

From: jwynberg@aol.com <jwynberg@aol.com>

Sent: Tuesday, April 23, 2019 7:00 PM

To: Kelly King

Cc: Keani N. Rawlins; tash.kama@mauicounty.us; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Short term rental tax increase

Aloha Ms King and other council members,

We urge you not to implement the proposal to raise short term rental tax rate. As owners, we will personally be hard hit by such a huge increase. Passing the cost along to our guests will increase vacancies not increase revenue; our property values will inevitably fall. Property prices, in general, are cyclical, and when they fall, Maui will undoubtedly suffer. Small investors will disappear.

Raising TA taxes would be the way to increase revenues.

Short term rentals definitely should not be taxed at a higher rate than hotels which are owned by huge corporations; short term rentals provide many jobs. To argue that hotels create more jobs is specious. Our complex employs a large contingency of workers, our guests contribute significantly to the local economy.

We urge you to reconsider this misguided proposal.

Mahalo

Juliana Wynberg John Greenbaum

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:46 AM

To:

EDB Committee

Subject:

Fw: Property Tax Increase Testimony

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793

mauicounty.us

From: Julie Nelson < julienelson2010@gmail.com> Sent: Wednesday, April 24, 2019 11:59 AM

To: Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei

Sugimura

Subject: Property Tax Increase Testimony

I am writing in favor of fair and reasonable Maui County tax rates for the vacation rental industry.

I own a vacation rental property in Kaanapali that my family uses for part of the year. I have also been a full-time Maui resident for the last 15 years. I am a licensed Hawaii realtor and also work in the property management business. An increase in taxes will be detrimental to both of these industries.

Short Term Rentals are currently taxed at \$9.28/\$1000, the third highest only exceeded by Hotel and Resort and Time Share rates. Increasing the Short term rental rate too extreme puts an unfair burden on the individual owners of these properties, and the guests to these properties, and can only move to harm the small businesses that depend on the vacation rental industry. Raising the tax rate will eventually trickle down to the consumer with an increase in nightly rates, which will severely damage the travel industry on Maui.

We have a blossoming vacation rental industry on Maui, subject to appropriate restrictions and standards, and a fair existing permitting and taxing process. Short term rentals already comprise 25% of the \$319,516,547 of real property tax revenue compared to 11% for time share, and 7% for hotel and resort. The purpose of the industry is to allow for varied accommodations and experiences for visitors, and to allow small businesses to benefit from tourism.

I am supportive of the Economic Development and Budget Committee Committees efforts to find a fair and equitable solution for taxing the vacation rental industry that limits any negative implications for the community. Right now short term rentals brings in \$79,500,00 in direct taxable revenue, and has created thousands of jobs for our island as well.

Thank you for considering my testimony and I hope you will think about it as you continue to craft this bill.

Julie Nelson

Lahaina, Hawaii

From:

karen blackwell <kblackwell@hotmail.ca>

Sent:

Thursday, April 25, 2019 7:20 AM

To:

EDB Committee; Keani N. Rawlins; Tamara.Paltin@mauicountry.us

Cc:

Mike J. Molina; Alice L. Lee; Tasha.Kama@mauicountry.us; Kelly King; Shane M. Sinenci

Subject:

EDB-1 proposal

Attachments:

Scan_0006.pdf

We would appreciate your reading and truly understanding testimony on the EDB-1 proposal.

Mahalo Nui Loa,

Karen and Paul Blackwell

Sent from Mail for Windows 10

April 25, 2019

Dear Council Members,

We have just been informed of the EBD-1 proposal to raise the taxes on our property by 60%. We would like to address this proposal. (our testimony)

First of all, I would like to give you a brief history of our connection to your island. The first time I traveled there, I stood on the beach looking at the ocean, and felt that that was exactly where the earth was born. It was the most amazing feeling. We decided to try our hardest to try and have a small piece of Maui that we could call our own. And we scrimped and saved and went without to achieve that small dream.

If you do raise the taxes, we will be unable to hold on to our dream. It would also extinguish the dreams of many other middle class people, who can only afford the costs of rental now. The cost of living has gone up and up, but the folks are way behind in the balance of affordability of any "extras". They, too, must scrimp and save and do without, to achieve a holiday where they find peace and joy in your land.

In raising the taxes, there is a backlash, in that rental units will have to raise the prices, substantially, in order for the owners to be able to keep their condos. We pay considerable taxes to the County of Maui, as we do rent our condo. These are much higher than the residential rates.

The visitors to Maui support so many areas of commerce and we believe the hardship of taxes being raised would affect all of these areas. These revenues to your Island would be lost. Tourism is an incredibly important part of the economy, as I am sure you are aware. We are already losing many holiday families to Mexico, because of the much higher costs in Maui. I, personally, think there is no comparison, but money talks.

Please do not create a scenario where only the wealthy can visit your incredible island. If this tax increase, or anything close to it, does go through, we will be forced to sell what we have strived so very hard to keep...and we will be unable to come back.

Mahalo for your consideration.

Karen + Paul Blackwell

owners in Maui Vista

From: Kawika Mattos < Kawika@mfss.org>

Sent: Thursday, April 25, 2019 10:17 AM

To: EDB Committee

Cc: Edeluisa Baguio-Larena; Debbie Butay; Zina Andrade; Kaina Bonacorsi

Subject: EDB-1 / Testimony Letters for Kane Connections Program

Attachments: Testimony Support Letters from Kane Connections. EDB-1 4.25.19km.pdf

Aloha Maui County committee. Attached are testimony letters that we are submitting by participants in support of our Kane Connections program. Please reference EDB-1.

If there are any questions or concerns, please contact my cell at 281-6682.

Mahalo.

David "Kawika" Mattos Program Supervisor & Facilitator



Maui Family Support Services, Inc. 1844 Wili Pa Loop Wailuku, HI 96793 Office: 808-242-0900

Fax: 808-249-2800

Visit our new website at www.mfss.org

The <u>Mission</u> of Maui Family Support Services, Inc. is to promote healthy family functioning by providing supportive services which build on family strengths.

The Prime Directive is to utilize our collective resources toward the prevention of child abuse and neglect.



Visit our website at www.mfss.org * Follow us on Facebook * Support us through Amazon

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notify Kawika Mattos at 808-242-0900 ext. 287 or via email at <u>kawika@mfss.org</u> and expunge this communication without making any copies. Thank you for your cooperation.

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04/23/2019

RE: Kane Connections

My name is Sterling Ross and I am the proud father of an amazing 4 year old boy. I was his primary caregiver from the moment he was born until the age of 2.5 when his mother took him and refused me access to him. I was unable to spend time with the child that I cared for every day and every night while she worked the night shift at the hospital. I went 6 months without being able to spend time with him and the only way I was able to see him again was to file for divorce. His mother made escalating claims of abuse against me claiming that I had physically hurt her and my son, going so far as to say that I sexualy molested him.

I have made mistakes in my life and I know I am not perfect, but I have never physically hurt my ex or our son and the idea of doing anything inappropriate with him is beyond comprehension. Being denied access to our son triggered instinctive responses of anger and I yelled at her in confused frustration. I sincerely regret doing this, but I had found myself in such a bewildering situation with no tools or resources to handle it.

I've been to court over 15 times trying to gain meaningful access to my son. I've had supervised visitation, extensive psychological evaluations, 40 weeks of anger management classes, and weekly counseling. I've spent my life savings on lawyer fees and now no longer have a lawyer. Nothing I did had any effect and it seemed that whatever his mother said was true unless I proved it false, but I was never given an opportunity to do so or my proof was simply ignored.

The court eventually granted my ex full custody and I legally lost my son. I have "reasonable" visitation of 4 hours. I asked for a reconsideration, pointing out all the errors in the custody evaluation, instances of my ex lying to the court, and provided 18 witness letters attesting to my kind and loving parenting. The court denied my request at the same time my father unexpectedly died.

I wanted to give up, but I know that would be the greatest mistake of my life. A young boy needs a father in his life. I wished and prayed for someone to call. Someone who could help. That's when I found Kawika and Kane Connections. A group of men and fathers who support each other through hard situations and help guide each other towards acting with kindness and integrity. The group teaches vital concepts such as speaking with compassion, reflective listening, and focusing on good positive thoughts.

Kane Connections lead me to the Kamalama parenting class which helps parents learn parenting skills through Hawaiian values. We've learned about communicating and discipling children effectively and about the effects ours words and actions have on these young lives.

The community needs these programs and more like them. The community needs to give fathers strength and a voice in their children's lives. The community needs to provide a clear path for fathers to be in their children's lives after losing custody. Fathers are vital to all children and they are not the second class citizens that the court makes them out to be.

There is no greater loss to a child than losing a parent and our community needs more support like Kane Connections to help fathers who want to be in their children's lives.

Any



To whom it may concern,

My name is Bryant yay Im 56 yrs of age I have a 3yr old son Work we're born and raised on mani. Kamwame class group has iquipped me with tools skills on awareness murturily removing obstacles that can whaler works myself and those exound me. I have gasted so much I can't express it all on paper. So I live it everyday and express it throwny decisions, choices and be havior.

Kaw ite is an awasene teacher His knowledge and wisdom is spot on and priceless in these areas. The importane in this shouldn't be over looked.

For Parents, Pavents to be neighbor or individual I strongles believe this curriculum should be implemented in every school. So children can be exposed and iquipped also. For their future its vital to learn healthy, peaceful positive technique which will also benefit the community.

Your support will help the community for sure. I Neglect, abuse is all avoidable, for you former threw knowledge. Thank you for you forme

Truly Bryant ya

TO WHOM THIS MAY CONCEPEN;

HELLO! MY NAME IS BRIAN FELIPE. I AM WRITING TO YOU ON BEHALF OF KAINE CONNECTIONS. I AM A PECONERNG ADDICT. WHO HAD THE OPPORTUNITY TO ATTENO THIS PROGRAM. AND I CLUST WANNA GAY THAT THIS PROGRAM AND KAMIKA HAS TAUGHT ME SO MANY WAYS TO BETTER MY LIFE. AND HOW TO LOOK AS MYSTLF AND SEE THE WAY I DO CEPETAIN THINGS IN MY LIFE THAT THERE IS A BETTER MAY TO DEACT IN GERTAIN OFTWATIONS. LIKE DISIPLINE ... HOW TO GO ABOUT DICIPLINING MY KIDS WITHOUT LAYING HANDS ON MY KIDS. AND HOW TO COMMUNICHTE WITH MY SPOUSE AND FAMILY MEMBERS WITHOUT RESORTING TO YELLING CONTESTS. I THINK THAT THIS PROGRAM SHOULD BE TAUGHT TO BOTH SEXES. NOT JUST MEN. THIS PROGRAM HAS OPENED MY HEART AS WELL AS MY MIND. IT HAS THENDMY LIFE AROUND 360° I THINK THAT WITHOUT THIS PROGRAM ID STILL BE WALKING THROUGH MY LIFE HOLDING ONTO RESENTMENTS AND DEGRETS WICH I HELD INSIDE AND FEDDORED FELLIED ME IN MY ADDICTION AND KEPT NE THERE. I'M SO GRATEFUL TO THESE MEN KAWIGH, DAVID, ERIC, SAM FOR SHARING THIS KNOWLED WE MANY ME POROBOGOBOBOBOBOBO I MORROM KHAM MADE TO BEGIN IN TRYING TO THANK THEST MEN AND THIS PROGRAM FOR BORDER GIVING ME A NEW LIFE A BETTER LIFE. I WOULD RECOMEND THIS PROGRAM ->

ISLAND WIDE. THANK YOU FOR YOUR TIME.

Byrian Joan.

My Name is William Cornelia and I have been puroled to Aloha House after doing 24 entite years of imprisonment. I do not do drugs and gain nothing by being at Aloha House However, there is Kane connections at Aluha House but only one day a week but we are allowed to attend on monday nights at the Makana Kane Connections is a very valuable class for me and the only class that I can really really relate to . Knwike his a gift of Feaching that brings light and true meaning to how we as men should act and ruise dur funities. Please explore the possiblility of expending Kawika's teaching for the men who I thenk- You for your time and I thank - You for finding kane connections because I am and what I need to be as a man to my precious finily.

April 23, 2019

To Whom It May Concern:

My name is Antonio Bran and I have been attending Kane Connection's Group for over 1 year.

I enjoy the teachings from Kawika Mattos and forming new friends and connections with other men in the group.

I am a better father to my 13 year old son. A better husband and uncle to my many nephews and nieces.

I believe Kane Connection's Group is vital to have in the community of Maui. Kane Connection's Group help support and prepare other fathers, uncles and young men to be a positive role model in their families, on the job and throughout our community.

Mahalo,

Antonio Bran

COUNTY OF MAUI

April 22, 2019 Willy Orine Kane Connection Wailuku,Hi 96793

To whom it may concern:

Helping/giving/supporting are key issues in our daily life for us men to achieve, seeking and understanding the value of this concept brings more awareness and knowledge to help maintain our structure as Kane Men. Programs and curriculums help achieve this momentum in helping us men understand not only basic knowledge of how our lives can become better, adjusting our mindset of how we look and feel about ourselves makes a big impact with our family and love-ones.

Your help and support to this cause not only gives it life, it also makes a difference knowing that men have a place to learn gain and understand the values of being a father/husband/father to our children, a chance to better ourselves in understanding and being a role model in our family. Your continuation in this matter is much needed, Contribution to a great cause helps us men become better role models in our community.

Sincerely yours:

Willy Orine

Kane Connection

To WHOM This may Concur, Kand Connection has made a big impact in my hip in ways that I thought it could never change. tocking I believe I am a neutwery Dusbord, father, epranches, freint, boss Ano historier. This is only part of what was changed in mes hips and The Courage to keep applying this new skills aboll frew tooks to wel does make a big shiftmend to all around md. It will be so hereping to all men to keep funding il gipcul as dan it has these pust years. I am one of the oblet participant in program and I expety all that I been everyday And Hold

To Whom it may concern, I come to kunk commertions after spending Some time in Jail for Appy relates crimes. I wanter to tearn how to be a botter man for myself & my family now i've been coming for mounts now, Ant I have learned & Continue to learn how to be an honest respectable role Model for my friends, fouring, and all those around me, I have learned how to Communicate Better and how to treat my signifigant other and I am learning how to be a good father and tole model for my think I Just Gound OUT I will be having. Is only all men could learn what we in this group do our families & Communitys Novil be better places The ifformation we get from this group is Priceless and they are Skills that we can use for a life time

> Sinceray, corps. Avers

Dear County Council,

My name is Robert Calbudol topo, I

am 28 years old, and a firther of 2.

Tonight was actually my first class at

Kane Connections, and from what I

experiences here I see a lot to

gain in the fature with this group

and potential for this to help many

families. Class here has a lot to

offer and is presented in a fun

and engaging way, while still learning

at the same time. I feel it's worth

funding and hope this group is able

to centimue on.

Aloha, Robert Cabadol-Apo

to whom it may consern,

_()

most of my adult life I been incorserated.

Cause of my selfish decisions it also cost me my health. As of Dec 8th 2016 I stopped all post behaviors etc... I have a 3yr old son who is in my care, sole custody. Hui Kam is a lolering. Kawika is awadorne of Knows what eva he shores of teacher. I can't truely express all what I have received from Kane Connection/Hui Kane. But I can show you threw my life today who I am what I stand for Peace, leadership support, ohera This has strengthend my life as I stay true to myself, ohera, friends & community. also I believe & my goal is to place this in absools, grade, High school etc... Just as vital as eva

are any suggest is were worth it.

truly Bryat gap

ALOHA,
MY LIAME IS KA'ED KAUN, I AM MORE ALLEMAN
WOULD @ ALOND HOUSE, FOR THE PAST MONTH
I HAVE BEEN COMING TO KANE CONNECTIONS
HERE IN WAILURY
FOR ME KAME COUNCITOUS IS NOT ONLY
A MEETING FOR ME TO STAY SOBER IT'S
ALSO A MEETING FOR ME TO BECOME A
BETHER FOTHER UNCLE, PERSON, AND FREMO.
KANE CONNECTIONS SHOUED ME THOT ALOT
OF THINKS I'VE BEEN DOING WITH MY
12 th OLD SON WAS WHOME, I OMY
HAVE MY SOM 2 WEEKENDS A MONTH,
BUT KAME CONNECTIONS SHOWS ME HOW TO
USE THE 2 LEDGENOS A. MONTH MY
SIN WISEY.
KANE CONNECTIONS (KANIKA) IS SUCH A
GOOD PROGRAM, I THINK IT WOULD BE A
SHAME TO NOT HAVE IT ANYMORE KAWIKA
HELPS ALOT OF US MEN TO BE
ALL WE CAN BE.
SO THALLE YOU FOR HASVING THIS
PRODURAN AVOILABLE TO ME & MANIET MAN
HERE.
MAHALO & ALOHA
KN'ED KAUBI

To whom it may concern,

Aloha my name is Christopher Detreitors, im 36 years old and I have 6 children. Im new to this program, "Kane Connection" and so far its been really advantage. The took and lessons on how healthy men can be to our spouses, children, family ect are amazing. I believe its so important for med to be educated on how we as men should be to our spooses and children. I believe in this program and hope to learn more from it. It starts with us. In willing to make a change for myself, my family, my community, and our future. Please help fund this program so kane Connections can connect more fathers back to a healthy lifestyle.

Sincelly Offer Defines

So Ive been coming to kane conection's for about 4 month's now and since Ive started I have not missed one class. I feel this class has changed my whole cutlook on paventing it has been a big help for me. I now have my dad come with me he has resently had another child who is two years old. So we are both working on breaking the Bycle of madness. And I am excited on always trying to share what I get from this class. Please do not take this away from ys. Mahalo!

Sinserly, Molan Fraser

Jolonnon Fraser 3926 Mahinahina St Lah Hi 96761

Jo Whom it may concern,

I've been comming to this

group meeting (Kane Connections) from Lahaina

for 2 wieks. This group is a blessing to me

cause it has helped me at home my relationshy

with the my Confineral that I have a child with

I have leaven't how to control my anger

and communication shill wring the program.

I sentrope that this program continue

for Father like myself.

If sure is a blessing that to see that

I am not alone and the Dads that are

seeking to better them relationshy with

Wive's and family at home.

Solomon for

I first got to know of Kare Connection when I was in treatment up at Alcha House and at first I really didn't think I was needing a men's group to figure out myself and my gourney through life that and the more I attend this group the more I noticed that I did have more to learn and grow. I've been in this group for over a year now and I do not miss a meeting cause like my other meeting that I do go to I need this group to complete some other parts that needs some aftention and wask. Thank you for supporting this program cause without it I wouldn't be the man and tather I' am today.

Marcus Kalo Chaves

Random Vaves in 31 years old I have one daughter that is Il years old. I haven't been part of her life till recently. Through Kane connections im learning how to comunicate with her and her mother in a more productive way and approach. I believe with kinne connections i can and will repair my relationship between her and I. tay bearing how to connections i can and will repair my

4/22/19 To Mari County Council I am willy to ask that You please contidue to find the Kane Connections were group faight by Kawika Malfos. I have been to morning meetings and classes that were court imposed and some were one but most were not. I come to this meeting not because I have to but because I want to . The Conicdan is AWSOME and Kawika is great at incorporatly weal culturalal approaches to the 1255 ons, There is a feeling not felt in other type of meeting. The fact that it is all Male is very Emportant. It gles us Kane a chance to "explore Issues that we Gareffeel but don't have are outlet to express. THIS Class is Very important in helping to create better fathers/Husburds and in from Will help to Strengther the families that we are responsible Sor! Strong Samilies, help to Build Strong Communities!! Please Contitude this Sudian! Mahalo, Joth CRUZ

The Kane connection is a That is Very important in shaping father to be more under stanting, once fond positive ways to help there children. Be a nuturing person or parent. The people feathing the grap are are awarden the treat the Nan from the ment outer are are grateful for This goo Hope you can see in your heart to confinue kane ; Connection. I'am attending this gra for about 5 months I have learn a lot how to low talk to my Son. I learning things about myself that I die know just talking him in positive makes it a whole better fram the people get a lot from the group. Mahald Kow Magdini

To Maai Comby:

()

I have been attending Kane Connections for almost two years. For the past year, I have been helping Kavika with the group because I have seen how valuable this group is. The lessons we lear have tought me how to be a better man, taker, and hurband. We've land in group how to bethe communicate in a possitive way with our wive, Children, and others in the Commenity. the One of The many points we focus on is different personulities and how to recognize and respond to people in a positie and health way. I have chosen to spend extra time helping kawika with this grown because of the fositive change I have seen in the may that attend group. When I first stated, we had 15-20 guysin group on any given week. Now, we have between 30-40 guys Regularly 4 thand. I also see the men from group being positive influences in the Community. There are men that "regulary attending recovery neetings and doing everything they can to live up tothe principles faught in group.

"We cannot change what we do not acknowledge"
"We believe men should be perpectful responsible, accountable, and honest; have integrity, be healthy partners, and territy."

The first statement is one that is repented to us in group and is one of the cope tenets of our group. The second statement 15 our group moto that we say collectively to start group.

They are only examples of the many positive jobal that are tabled about weeky in our group.

DEAR Main County Council, My name is Tony Kapalu and I'm a participant in the Kane Connection Drogram, with the Mani tamily Support Services. Our facilitator is David Kawika" Mattes. I'm currently attending this program, going on my 3rd yr, on my own, with the intertion and goal to continue this program, as an imperative part in my day to day life. I have seen this program grow both ways for our staff, as well as the men who aftending these neetings, in a very constructive and positive way. can testify that the Kane Connection Program's 24/7 and curriculum is very essential for us men to learn and I've been applying these tools that the learned in my own life, both at home and at work. The also applied these new took that The leaved, and I'm still decenty, to my new relationship with my girlfriend. In closing, I humbly aske ask and regnest to continue hing Kane Connection continue to help all men to better worderstand themselves and to better

-()

William Bell-Chage
4/22/19

This is my first group

AND IVE Alkeway learned So much

In This Short I hours, About

Communicating with my other half

I had to take notes Just to

Retain it all And Also About

how our household members and

Children are affected with Poor

Communication. In An honesty

This cross was Ausome and

Changed my thinking on my core

beliefs and behavior. Again only

my first class and I can only

imagine how much more I can

learn if I keep coming Back-

Pla

My Name 15 Elias Prace and Im from the big 15 land. I'm Currently Staying at the aloha house on mai. This fetter 15 Concerning the Fame Cannections Program. I'm interested in learning more and trying to be a better person today. I attended my first class on monday April 22 2019, and I really want to attended every class fill I go back to the big 15 land. Most of my relapses are caused by poer commercication skills with my other half and my nother. my attitude could use some help and my belavior Could use some help and

Thank you Elias perce

I chad Alconce / am gennely

Impressed with Kame Connection.

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The learned Communication skills

that I can use with my family

to streng then our Relationship.

The Instructors made me

feel Comfortable and welcome

I encourage the Connecil to

please keep this Program

going

Mahals

Cut Allenwy

WHY THIS GROUP SHOULD CONTINUE?

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-	FOR ME to HAVE THIS TIME EVERY WEEK WHEN I CAN PUT EVERY THING ELSE ASIDE AND FOUSD ON PERSONAL GROWTH AND IMPROVE. IN MY LIFE, THIS GROUP IS A VERY VALUABLE HAVE & MNIQUE TOOL
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To! mand county Counter! please Help up at The Hu Kane Mens Group. We Kleed Help To Teach us men who been locked up Their Whole life We Son't Know What or flow to live with our family. This group that taught me town important it is for to treat my family 3 Kids tive been locked up Most of my Kids life and In weed the Help from this Group Colled Kone Connection. please Confinue To Sponsor This Group So more of US. immades will have the tools to Line Life How life Should be lived Yours Tracky Veren frome

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this program so please help us
1 love GoD bless thankyou,

help us please

Sames Faria

Pleaso May Welp this Very Vital Carmy "KANE CONNECTION"! In asking formatto fund this Positive sessions because the facilitator Knowker is an individual that as one person help many crisis as for me, my Kids, my sponce, & all my family plus all my brothers.

EVER SINCE I BOOM

EVER GINCE I Been Comeing to KANE Connection I have learned a let and it help's me Be a better man and a father to my kids I have herned to Bop and think before I gay anything and I have have how to better talk rather than fight with my family transmit than fight with my family transmit LANE CONNECTION has made me a better man and father and better spouces

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:44 AM

To:

EDB Committee

Subject:

Fw: Short term rental taxes

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th FI Wailuku HI 96793 mauicounty.us

From: Lori Anderson-Benson <vancouverhomefind@gmail.com>

Sent: Wednesday, April 24, 2019 6:56 AM

To: Kelly King

Subject: Short term rental taxes

Dear City Councillors,

We strongly reject and are opposed to the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals don't create jobs is completely false.

Short Term rental properties create work and jobs for many local residents in the following areas.

- Reservations staff
- Housekeepers and Housemen
- Property managers
- Concierge and Activity Salespersons
- Accountants
- Online Marketers
- Offline Marketers
- Plumbers
- Carpet Cleaning Workers
- Flood Control Workers
- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies
- Data and Technology Workers
- Painters

- Home Entertainment Professionals
- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Electricians
- Remediation Pros

A property tax increase of approximately 60% would have a significant impact to an owner. As an owner of the Short Term Rental I would have pass along that significant increase to my guests which in turn will have a negative impact on the many visitors that would otherwise stay in short term rentals. If the rental rates for short term rentals increase due to higher taxes, then the rentals will be priced out of the visitors comfort zones and visitors will be forced to stay elsewhere on other islands than Maui. This will have a significant and negative impact on visitor revenue in all areas of the Maui economy including but not limited to tourism, retail, hospitality, food, lodging, etc. The cycle of what the impact will do to Maui is endless. We invested in Maui because we love it so much, and we put our hard-earned money into our place, the rental income as it is just makes the payments and the upkeep with regards to those that we employee, if the taxes rise more, we will be forced to re-examine whether or not we can afford to keep our place.

Please reject and abandon this proposal that will ultimately have a huge negative effect on everyone that enjoys, visits and lives on Maui.

We appreciate your hard work and effort on this matter.

Sincerely,

Ken and Lori Benson Jennifer and Mark Hough

From: Kerri McGovern < kmcgoverness@gmail.com>

Sent: Thursday, April 25, 2019 10:10 AM

To: EDB Committee

Subject: Proposed hike to ST Rental properties

Dear City Councillors,

We strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals do not create jobs is completely false.

Short Term rental properties create work and jobs for many local residents in the following areas.

- Reservations staff
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- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Electricians
- Remediation Pros

A property tax increase of 60% would have a significant impact to me as a an owner. I would be forced to pass along that significant increase to my guests which would negatively impact visitors to Maui who can not afford pricey hotel options. Those people who use Short Term rentals are typically families that find hotel stays painful for their vacations due to space constraints and inadequate set up for feeding young children. These families make heavy use of restaurants, tourist services and retailers on the island. And, since they demand a hotel-like experience, the service that we as owners need to provide matches that of the hotel industry, requiring us to utilize services of all the tradespeople listed above.

An increase to short term rentals will likely price many visitors to Maui right out of the market. They will be forced to visit other islands and or visit other states/countries then Maui. This would of course have a negative impact on the visitor revenue that the County of Maui so depends on.

We urge you to consider the value that Vacation rentals offer the County of Maui in visitor spending and in helping to accommodate the tourist population in Maui.

Sincerely,

Kerri & Michael McGovern Owners at Ekahi Village, Maui

403-629-6865 kmcgoverness@gmail.com

From:

Kelly King

Sent:

Thursday, April 25, 2019 10:24 AM

To:

EDB Committee

Subject:

Fw: Proposed Property Rate Hike to ST Renters

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th FI

Wailuku HI 96793 mauicounty.us

From: Kerri McGovern < kmcgoverness@gmail.com>

Sent: Thursday, April 25, 2019 10:12 AM

To: Kelly King

Subject: Proposed Property Rate Hike to ST Renters

Dear Kelly T. King

We strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals do not create jobs is completely false. Short Term rental properties create work and jobs for many local residents in the following areas.

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- Carpet Cleaning Workers
- Flood Control Workers
- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies
- Data and Technology Workers
- Painters
- Home Entertainment Professionals

- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Electricians
- Remediation Pros

A property tax increase of 60% would have a significant impact to me as a an owner. I would be forced to pass along that significant increase to my guests which would negatively impact visitors to Maui who can not afford pricey hotel options. Those people who use Short Term rentals are typically families that find hotel stays painful for their vacations due to space constraints and inadequate set up for feeding young children. These families make heavy use of restaurants, tourist services and retailers on the island. And, since they demand a hotel-like experience, the service that we as owners need to provide matches that of the hotel industry, requiring us to utilize services of all the tradespeople listed above.

An increase to short term rentals will likely price many visitors to Maui right out of the market. They will be forced to visit other islands and or visit other states/countries then Maui. This would of course have a negative impact on the visitor revenue that the County of Maui so depends on.

We urge you to consider the value that Vacation rentals offer the County of Maui in visitor spending and in helping to accommodate the tourist population in Maui.

Sincerely, Kerri & Michael McGovern Owners at Ekahi Village, Maui

403-629-6865 kmcgoverness@gmail.com

From:

Lenora Yuen <lenora.yuen@fourseasons.com>

Sent:

Thursday, April 25, 2019 6:00 AM

To:

EDB Committee

Subject:

Letter to Budget Chair & Council Members

Attachments:

Letter to Budget Chair & Council.pdf

Please print and deliver for Friday meeting. Mahalo!

Lenora Yuen, CTC Senior Regional Sales Manager Four Seasons Resorts Hawai'i - Maui, Hualalai and O'ahu

Office: 714-281-8556

Email: lenora.yuen@fourseasons.com

April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, Hi 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is LENORA YUEN . I am a SENIOR LEISURE SALES MANAGER for FOUR SEASONS RESORT MAUI and have been for the past 30 years. My job is to generate business from travel agent/wholesale tour operator partners to Maui. My territory includes California, Pacific Northwest, Canada, UK & Europe.

I am writing in support of the Maui Visitors Bureau's proposed FY 2020 budget.

Being a part of the visitor industry, I hear a lot about the Transient Accommodations Tax (TAT). I would suggest that perhaps, instead of the TAT just being part of the general fund, that it be listed as a separate revenue item. The County receives aapproximately \$23 million from TAT, and I feel that because it is a tax generated by visitors, it should be used to fund your concerns about infrastructure and other areas. In doing so, you can continue to fund the Maui Visitors Bureau, which is doing an excellent job.

I would greatly appreciate your consideration of Maui Visitors Bureau's proposed FY 2020 budget of \$4 million. Maui needs the visibility and support they provide.

Y Du

Mahalo

(enora Yuen

Four Seasons Resorts Hawaii – Maui, Oahu & Hualalai

Senior Regional Sales Manager

From: Kelly King

Sent: Thursday, April 25, 2019 8:22 AM

To: EDB Committee

Subject: Fw: Vacation Rental Tax

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Luis Pereira <pereira5@yahoo.com> Sent: Thursday, April 25, 2019 4:19 AM

To: Kelly King; Keani N. Rawlins

Cc: Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura

Subject: Vacation Rental Tax

Aloha,

Duringt the Broker's Forum, Mike Trotto stated that Maui County Council is proposing a Tax increase for the Vacation Rental Tax from 9.37% to 15.43%. This large increase is a huge jump for small vacation rental owners.

My wife and I own a condo at the Lahaina Shores Beach Resort that we rent out to others when it is not in use by us. The income we earn from the rental allows us to maintain the condo and add occasional upgrades. Our condo at Lahaina Shores is well liked by repeat visitors and in turn brings significant taxes to Maui County.

I am requesting that the council reconsider raising the Vacation Rental Tax as the current rate is considerably fair. Increasing the tax will put additional cost pressure on the Vacation Rental owner.

A suggested alternative plan would be to look at the homes worth millions at Launiupoko. These property owners have managed to get their homes classified as agricultural which is unfair. If these home owners rent their homes through VRBO, these people are paying about half the county taxes as the rest of the homeowners.

Please kindly reconsider the above proposition before imposing a much higher tax on the small Vacation Rental owner.

Regards,

Luis Pereira

17920 Calle Hermosa

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:45 AM

To:

EDB Committee

Subject:

Fw: Opposition to increase in Vacation Rental Property Taxes

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Peggy Ann Shea and Don Smart <sssrc@msn.com>

Sent: Wednesday, April 24, 2019 1:10 PM

To: Kelly King

Subject: Opposition to increase in Vacation Rental Property Taxes

Aloha Kelly King,

As an owner of both a vacation rental condominium and my own vacation home (not rented) on Maui, I wish to register my opposition to the proposed amendment to the substantial increase of the property tax for vacation rental condominiums. We are already taxed higher than apartments.

Maui depends upon tourism for their general economy. Most tourists cannot afford to stay in the large luxury hotels, and renting vacation condos is a excellent alternative for visitors.

As an owner I fully support the local economy. Each owner selects the various businesses for the maintenance and upgrading of their property. This includes, but not limited to, the following:

Employing a property manager.

Cleaning of rentals between guests.

Carpet cleaning.

Electrical and plumbing work.

Minor repairs that can be done by a local handyman.

Purchasing of replacement furniture and appliances.

Hotels, on the other hand, typically have arrangements with selected businesses for some of these services. They do not, in general, contract the small businessman for minor services. In my opinion the vacation rental business is a major factor in supporting the local economy via small businesses.

Once again, I want to expresses my opposition to this proposed increase. In my opinion, a tax increase of this magnitude (60%) is akin to killing the goose that lays the golden egg.

Respectfully submitted,

Margaret Ann Shea

Margaret Ann Shea, President Maui Vista Board of Directors, 2191 South Kihei Road, Unit 3212, Kihei, Maui, 96753

Telephone: 808-874-8023 E-mail: sssrc@msn.com

From:	Marlyn Kaopuiki <marlyn.kaopuiki@fourseasons.com></marlyn.kaopuiki@fourseasons.com>	
Sent:	Thursday, April 25, 2019 7:03 AM	
To:	EDB Committee	
Subject:	Maui Visitors Bureau	
Attachments:	04252019072901-0001.pdf	
Aloha,		
, none,		
Kindly refer to the attached docum	nent in support of the Maui Visitors Bureau proposed 2020 budget.	
Mahalo,		
Marlyn Kaopuiki		
Special Events Coordinator		
Four Seasons Resort Maui		
3900 Wailea Alanui Drive, Kihei, H	HI 96753	
Voice:808-874-2207	n	
marlyn.kaopuiki@fourseasons.com http://fourseasons.com/maui	II.	
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April 24, 2019

Economic Development and Budget Committee 200 S. High Street Walluku, Hi 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Marlyn Kaopuiki. I am a Special Events Coordinator for Four Seasons Resort Maui and have been for the past 17 years. I am writing in support of the Maui Visitors Bureau's proposed FY 2020 budget.

Being a part of the visitor industry, I hear a lot about the Transient Accommodations Tax (TAT). I would suggest that perhaps, instead of the TAT just being part of the general fund, that it be listed as a separate revenue item. The County receives aapproximately \$23 million from TAT, and I feel that because it is a tax generated by visitors, it should be used to fund your concerns about infrastructure and other areas. In doing so, you can continue to fund the Maui Visitors Bureau, which is doing an excellent job.

I would greatly appreciate your consideration of Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo,

Marlyn Kaopuiki

Special Events Coordinator

From: Kelly King

Sent: Thursday, April 25, 2019 8:46 AM

To: EDB Committee

Subject: Fw: Proposed TAX Increase ?!

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: MauiMarilyn Steinmetz, Realtor <mauimarilyn1@gmail.com>

Sent: Wednesday, April 24, 2019 12:10 PM

To: Kelly King; Keani N. Rawlins; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Proposed TAX Increase?!

Aloha for your time in reading my e-mail.

I am concerned about the proposed increase in Short Term Rental and Hotel/Resort. I have been specializing in selling Hotel Resort Vacation rent-able condos all of my Real Estate Career. They do not compare to Time Shares, are not the same entity at all and should not be taxed anywhere near that amount. Time Shares are structured differently and should be treated differently. Owners of Vacation rentals in the other classes already have a difficult time breaking even or making very little in profit on their vacation rental investment. Most buy because they love Maui and want the option to go back and forth spending time on the mainland and in Maui. They hope that the rentals will help with the expenses. This is way to high of an increase at one time, this will have a very heavy negative impact. Apartment class also makes money by renting out long term rentals and you lowered it. I understand that if owners are making money on their property they should pay more, but this is way too much. What about Commercialized Residential, why doesn't that class have some increase? Please reconsider these options. Thank You for taking the time to consider my opinion.

Mahalo, Marilyn Steinmetz, Realtor (S) RS-63074

Cell: 808-357-6404

MauiMarilyn1@gmail.com



NextHome Pacific Properties 1279 South Kihei Rd. #119

Kihei, HI 96753 Office: 808-879-1511 FAX: 808-874-3482





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(808) 879-1511 (office)

(808) 874-3482 (fax)

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:04 AM

To:

EDB Committee

Subject:

Fw: Raising Vacation Rental Tax

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Marina Batham <marina.batham@islandproperties.com>

Sent: Wednesday, April 24, 2019 10:25 AM

To: Kelly King; Keani N. Rawlins; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Raising Vacation Rental Tax

Maui County,

Is a hotel room a time share? The answer is no. The guest staying in the room has no ownership interest in that room. Does the hotel owner pay Timeshare rates? No.

If a guest checks in to a condo, do they have ownership interest in that condo? No. Then why should a legal vacation rental owner pay timeshare rates?

If you have a personal stigma or jealousy over the owners of these properties, or worse, you are trying to remove competition for hotels, then you shouldn't be in office! You represent all the tax payers of this island and that includes owners of vacation rentals. The seat you have is not for YOUR personal agenda.

We don't need more taxes, we need better tax management. After all taxes are a percent, not a fixed amount. They rise as property values rise and as more buildings are built. If your budget rises faster than the tax income, you need to ask why? Who's getting paid too much for leaning on their shovel? Which contractors are gouging the county for county contracts? Maybe you should look at these things more deeply. There's graft and nepotism in there somewhere! Yes, I said that!

Clean up your act Maui County before trying to hurt your constituents!

Marina Batham Makawao

From: mroth356@earthlink.net

Sent: Thursday, April 25, 2019 5:00 AM

To: EDB Committee

Cc: Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina;

Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura

Subject: Proposed 66% property tax increase

Dear Committee Chair Keani N.W. Rawlins-Fernandez and Economic Development and Budget Committee Committee Members,

My family has owned a second home on Maui since 1990 which is rented short term when we are not on Maui. Our rentals bring visitors who bring revenues into the local economy and the county budget. We urge you to consider that there is a point at which you will kill the goose that lays the golden eggs. The proposal to increase the property tax rate by 66% is that point.

Short Term Rentals are currently taxed at \$9.28/\$1000, the third highest only exceeded by Hotel and Resort and Time Share rates. Increasing the Short term rental rate too extreme puts an unfair burden on the individual owners of these properties, and the guests to these properties, and can only move to harm the small businesses that depend on the vacation rental industry.

We have a blossoming vacation rental industry on Maui, subject to appropriate restrictions and standards, and a fair existing permitting and taxing process. Short term rentals already comprise 25% of the \$319,516,547 of real property tax revenue compared to 11% for time share, and 7% for hotel and resort. The purpose of the industry is to allow for varied accommodations and experiences for visitors, and to allow small businesses to benefit from tourism.

We are supportive of the Economic Development and Budget Committee Committees efforts to find a fair and equitable solution for taxing the vacation rental industry that limits any negative implications for the community. Right now short term rentals brings in \$79,500,00 in direct taxable revenue, and has created thousands of jobs for our island as well.

Thank you for considering our testimony and we hope you will think about it as you continue to craft this bill.

Mark and Jocelyn Roth Lahaina Shores No. 533

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:44 AM

To:

EDB Committee

Subject:

Fw: Please Vote Against the tax hike

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl

Wailuku HI 96793
mauicounty.us

From: Maro <dimmermaro@comcast.net> Sent: Wednesday, April 24, 2019 2:14 PM

To: Kelly King

Subject: Please Vote Against the tax hike

Esteemed Council,

Aloha! My name is Maro Dimmer, resident of Colorado, but owner of two units in the Whaler resort on Kaanapali. My husband and I have been coming to Maui for over 20 years and 2.5 years ago we decided this would be our retirement home. We invested our life's savings in these two properties. We are middle class people working hard to live in our dream place.

I want to emphasize to you that this unprecedented hike in property taxes is only going to hurt Maui in so many deep ways. Maui is already an expensive place to vacation and these hikes to hotel and short term rental properties will for sure be passed on to the tourists visiting this beautiful island. The escalating rents would be making Maui super exclusive! This means less tourists to support your small businesses and restaurants. Please consider the impact of this on sales tax income!

As a small business owner and as holder of a seat on the board of the Arvada Economic Development Association I deeply understand the need of cities and counties to have more income brought in. I also know that a thriving economy is a partnership between the governmental entities, the business community, the investors and the people. One member in this partnership cannot singlehandedly hurt the other without serious impacts. Please study the long term strategic impact of this on both Maui's economy as well as our families.

Also consider the effect on individuals. Sure timeshares have a 15.41% property taxes, but the impact of this is diluted

over thousands of owners for one property. Plus the real owner of timeshares are multinational organizations like the Marriott. If you institute this against single owners of condominiums the impact to individuals is tremendous. In our case this means a tax hike from 22,000 to 35,000. Owners like us spend a tremendous amount of money when on Maui. We might not spend so much in the future.

We will be moving to Maui as residents in two years. We want to be on a Maui with a thriving economy. We implore you not to rash to ruin it, but to adopt a more conservative measured and incremental approach.

Maro Dimmer 2481 Kaanapali Pkwy Unit 1110 and 459 Whaler

Maro Dimmer Rheinlander Bakery

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:47 AM

To:

EDB Committee

Subject:

Fw: Proposed tax increase for Vacation Rentals

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency
Office: 808.270.7108
200 South High Street, 7th Fl
Wailuku HI 96793
mauicounty.us

From: Reservations < reservations@beachbreeze.com >

Sent: Wednesday, April 24, 2019 11:13 AM

To: Kelly King

Subject: Proposed tax increase for Vacation Rentals

Aloha Chair person Kelly King,

May I take this opportunity to oppose the tax increase on licensed short term vacation rentals in Maui County.

We are all working diligently to make our short term vacation rentals viable for both owners and guests.

We would oppose an increase in the tax rate for these properties.

Regards,

Martha B. Ingalls (RB)

Quality Real Estate LLC

808-283-2231

From: Kelly King

Sent: Thursday, April 25, 2019 9:51 AM

To: EDB Committee

Subject: Fw: NO tax increase for short term rentals

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th FI Wailuku HI 96793 mauicounty.us

From: Dc8av8rx <dc8av8rx@aol.com> Sent: Tuesday, April 23, 2019 11:17 PM

To: Kelly King

Subject: NO tax increase for short term rentals

We already pay too much tax on our short term rental condo - please do not price out local residents who own and operate a short term rental. The taxes aren't even going where they should be -such as improving our roads, county park bathroom facilities are all worn out, there are not enough campgrounds for Maui families, and tourism is rampant, out of control, and needs regulating - The Road to Hana is way overburdened, dangerous, and falling apart. Our natural resources are being ruined.

If you have to tax, tax the hotels that charge \$600+/night, and not local families who are struggling to stay above water on mortgages and taxes in the competitive rental market.

Mary Henig

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:47 AM

To:

EDB Committee

Subject:

Fw: SAY NO TO THE PROPERTY TAX INCREASE

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: mary@hawaiilife.com <mary@hawaiilife.com>

Sent: Wednesday, April 24, 2019 9:35 AM

To: Kelly King

Subject: SAY NO TO THE PROPERTY TAX INCREASE

Aloha Kelly,

I am a Realtor and 18 year resident of Maui County. I love our island and I don't want to see more money having to be spent by property owners due to this proposed property tax increase. This increased fee, which will eventually lead to more money for accommodations by the tourists as they come here, will increase the already problem of the lack of spending we have on the island.

Increasing these rates will do a lot of things and helping our community I don't feel is one of them. As tourism is on the rise here we <u>aren't</u> seeing these guests on our island spending a lot of extra money. The TAT just went up impacting guests here..... Money that is required for lodging now <u>isn't</u> being spent on small businesses that actually help our residents stay employed and able to stay here. I also own a small food truck and for instance our rent for ONE PARKING spot is \$3000 a month. What I see happening through our staffs feedback is maybe people are sharing meals and not tipping. We want Maui to stay affordable to everyone and we want the people working in the tourist industry to benefit from people here so they can pay their bills and keep money on our island. Raising taxes isn't the answer to that It's taking away from tourists ability to pay for things that directly keep the money on our island with our community members.

Mary M Kerstulovich R(S) 808.283.4688

Hawaii Life Real Estate Brokers Wailea. Maui. Hawaii Mary.Hawaiilife.com

Mary@Hawaiilife.com

Wailea Town Center

161 Wailea Ike Place Suite C103B

Wailea, HI 96753

From: Kelly King

Sent: Thursday, April 25, 2019 8:21 AM

To: EDB Committee

Subject: Fw: Proposed property tax increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th FI

Wailuku HI 96793 mauicounty.us

From: Maureen Berry < Maureen@caz95421.com>

Sent: Thursday, April 25, 2019 6:12 AM

To: Tasha A. Kama

Cc: 'Kelly.King@mauicounty.us'; 'Keani.Rawlins@mauicounty.us'; 'Riki.Hokama@mauicounty.us'; 'Alice.Lee@mauicounty.us'; 'Mike.Molina@mauicounty.us'; 'Tamara.Paltin@mauicounty.us';

'Shane.Sinenci@mauicounty.us'; 'Yukilei.Sugimura@mauicounty.us'

Subject: RE: Proposed property tax increase

Dear Councilmember Kama,

I understand your obligation to address the needs of the community, and I would understand if property taxes are raised as a result. However, I believe it would be most fair to all property owners and members of the community if all classifications of property taxes were adjusted equally, instead of short-term rental property bearing a disproportionate share of the tax increase.

Respectfully, Maureen Berry

From: Tasha A. Kama [mailto:Tasha.Kama@mauicounty.us]

Sent: Wednesday, April 24, 2019 7:48 PM
To: Maureen Berry < Maureen@caz95421.com >
Subject: RE: Proposed property tax increase

Mahalo for your testimony regarding the possible change to the real property tax (RPT) rate for Short-Term Rental.

As a Councilmember I understand your concern about the potential for an increase in the tax rate applied to Short-Term Rental properties and the likely impact on your household.

I hope that you understand, even if you only use your property for a short portion of the year, that our community has substantial needs for improvements to roads, parks, and other community facilities along with an increasing shortage of affordable housing and visible segments of our community who lack basic shelter. While your responsibility is to your household, my obligation, kuleana, is to the entire County of Maui. That kuleana demands that I address the outstanding needs and seek the revenue to do so.

The County's primary source of revenue to provide the facilities and services needed by our community is the real property tax. To generate the needed revenue, it is likely that real property tax rates will be increased.

As one of nine County Councilmembers, I am open to alternative funding strategies you and others may propose. Please note that the Council has no direct authority over the distribution of the Transient Accommodations Tax (TAT) – the State Legislature sets how much revenue Maui County can keep from the TAT generated by the hospitality industry in the County. The Council also has no authority to set the General Excise Tax (GET) rate. The limited-time authority to add a surcharge to the GET for transportation projects will sunset shortly.

Thank you again for taking the time to testify by email on this matter.

COUNTY OF MAUI

200 S. High St., Rm 810 Wailuku HI 96793

Office: (808) 270-5501 | Tasha.Kama@mauicounty.us | Our Website

From: Maureen Berry < Maureen@caz95421.com>

Sent: Tuesday, April 16, 2019 1:35 PM

To: 'Kelly.King@mauicounty.us'; 'Keani.Rawlins@mauicounty.us'; 'Tasha.Kama@mauicounty.us';

'Riki.Hokama@mauicounty.us'; 'Alice.Lee@mauicounty.us'; 'Mike.Molina@mauicounty.us';

'Tamara.Paltin@mauicounty.us'; 'Shane.Sinenci@mauicounty.us'; 'Yukilei.Sugimura@mauicounty.us'

Subject: Proposed property tax increase

To: 'Kelly.King@mauicounty.us'; 'Keani.Rawlins@mauicounty.us'; 'Tasha.Kama@mauicounty.us'; 'Riki.Hokama@mauicounty.us'; 'Alice.Lee@mauicounty.us'; 'Mike.Molina@mauicounty.us'; 'Tamara.Paltin@mauicounty.us'; 'Shane.Sinenci@mauicounty.us'; 'Yukilei.Sugimura@mauicounty.us'

Subject: Proposed Property Tax Increase

Dear Committee Members.

I am writing to express my opposition to the proposed increase in property taxes for condo-hotels from \$9.38 per \$1,000 to \$15.41 per \$1,000, <u>a 64% increase</u>.

Tourism is a major industry in Hawaii and, in particular, in Maui. Almost doubling property taxes will depress property values, discourage property purchases, potentially send the Maui real estate market into recession and ultimately hurt tourism.

With GET and TAT taxes continually increasing, a huge increase in property taxes could devastate tourism. In addition, it would put a tremendous financial burden on condo owners who depend on rental income to be able to afford the high real estate prices.

I purchased my first condo-hotel unit in 2005 and my second unit in January of this year. I took on a hefty mortgage in order to purchase my second unit, and I based my ability to repay the loan upon the current property tax rates, along with anticipated rental income. If my property taxes increase by 64% and my rental income drops, that would certainly jeopardize my ability to repay my loan, particularly since I am near retirement age.

As a non-resident owner, I spend significant money on Maui keeping my two condos in prime rental condition, and my guests spend money in restaurants, retail outlets, and on activities while visiting the island.

I ask that you reconsider this enormous tax increase.

Sincerely,

Maureen Berry
Owner of Units 413 & 417 at the Mahana at Kaanapali
PO Box 71
Cazadero, CA 95421
(707) 865-9455
maureen@caz95421.com

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:37 AM

To:

EDB Committee

Subject:

Fw: MNMRC budget questions

Attachments:

NFWF Full Proposal Narrative.doc; NFWF Full Proposal Narrative for KK.pdf

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Michael Fogarty <mike@mauireefs.org>

Sent: Thursday, April 25, 2019 8:46 AM

To: Kelly King

Subject: MNMRC budget questions

Aloha Kelly,

This forward containing our federal grant proposal for phase one of the Pohakea Project will hopefully provide some additional insight into our request for additional OED funding. We are seeking matching funds for this federal proposal, which will bring additional dollars into the Maui economy. Phase one is directed at fire mitigation in the Pohakea watershed, as Robin explained. The draft narrative to the proposal is attached for additional information about our partner organizations and projects.

Please feel free to contact Megan Edgar, who is handling this grant request. Her number is 808 463-7259.

Mahalo a nui for your support, Mike Fogarty

Begin forwarded message:

From: Megan Edgar < megan@mauireefs.org >

Subject: NFWF budget and narrative

Date: April 25, 2019 at 7:45:43 AM HST

To: Michael Fogarty < mike@mauireefs.org >, Robin Newbold < robin@mauireefs.org >

	Budget 🖫
Personnel	\$52,910.74
▼ Personnel 🕂 📄	\$52,910.74
Amy Hodges Programs Manager 🖉 🗶	\$45,798.74
Anne Rillero Outreach and Communications Manager	\$7,112.00
Travel	\$0.00
F Equipment	\$0.00
Equipment 🕂 🗓	\$0.00
Materials and Supplies	\$80,466.17
▼ Materials and Supplies 🛖 📄	\$80,466.17
Gloves Volunteer Crew Safety per 12 gloves 🖉 🗶	\$108.72
Shovels Volunteer Crew Equipment per shovel	\$899.85
Metal Rakes Volunteer Crew Equipment per 🙎 🗶 rake	\$525.00
Brush Grubber Volunteer Crew Equipment per brush grubber	\$584.30
Flatbed Pickup Truck Haul vegetation to dump per 1 day rental	\$3,130.80
Vetiver Fire-resistant grass with soil for erosion control per slip	\$62,500.00

2 ×	\$62,500.00
2 ×	\$4,357.50
2 ×	\$6,000.00
2 ×	\$2,360.00
	\$160,023.09
	\$160,023.09
2 ×	\$35,000.00
2 ×	\$15,000.00
2 ×	\$110,023.09
	\$0.00
	\$6,600.00
	\$6,600.00
2 ×	\$6,600.00
	\$0.00
	\$0.00
	\$300,000.00

We are asking NFWF for 300,000 and need to match it 1:1. Most of the expenses are in contracting, equipment, and personnel. I attached the narrative. It has the timeline of work we plan to do.

This is specific for fire mitigation - creating and maintaining fuel breaks and trying to restore some native vegetation to help keep the soil wetter and cooler (like it used to be).

We are also asking for money for adding Maalaea Bay water quality sites in another grant.

Full proposal is nearly 100% done. It's not submitted yet.

Megan Edgar

MAUI

MARINE RESOURCE COUNCIL

General Manager www.mauireefs.org megan@mauireefs.org 808-463-7259



Resilient Communities Category 1 Full Proposal Project Narrative

Writing Instructions: Please provide a six-page narrative that answers these six questions.

Long-Term Conservation Outcome(s): Elaborate on the long-term conservation outcome(s) summarized previously in the application; discuss what makes the outcome(s) address conservation needs and improve community resilience and well-being.

The project area is 3,414 acres of unencumbered public state-owned land. Once dominated by native forest and shrubland, years of ranching and agriculture have drastically changed the landscape. On the upper slopes ungulates disturbed top soil, trampled and ate native plants important for keeping soil cool and moist, and killed native trees that provided shade and collected moisture from the air. On the lower slopes native ecosystems were replaced by sugarcane plantations that diverted water away from natural stream channels for irrigation. These changes altered microclimates across the project area creating a hotter and drier landscape that allowed fast growing nonnative grasses to take over. Once established, these grasses grew quickly during wetter seasons and then died off during drier seasons further contributing to warmer ground temperatures and providing an excellent fuel source for wildfire. Today, regular wildfires encroach on remaining upper elevation native forests above the project area, negatively impact the coral reef ocean ecosystems below the project area and threaten property and access to several Maui communities.

According to the Hawaii Wildfire Management Organization, wildfires are increasing in frequency, size and severity on every Hawaiian Island. For the past decade, due at least in part to a warming, drying climate and increased frequency and strength of El Niño years, over 1000 fires have occurred across the state burning between 20,000 – 45,000 acres per year. When looked at as a percentage of total acreage, the .5% of land area burned each year in Hawai'i is equal to or greater than the percent of land area that burns each year in every other state. These fires are a serious threat to Hawai'i's native ecosystems, none of which are fire adapted. Fires kill native vegetation making room for exotic species to become invasive. Heavy rains falling on recently burned lands sloughs off topsoil making it impossible for vegetation to grow. This leads to streams full of sediment washing into the coral reef ecosystem and smothering corals. Human health is at risk as well. Smoke reduces air quality during a fire and dust blowing off denuded landscapes impacts air quality for months or even years after a fire. Burned soil decreases groundwater recharge affecting drinking water supplies, and neighborhoods are threatened. Every year fires in the project area encroach on adjacent native forests, close an essential roadway, increase sediment loads to nearby reefs, and threaten life and property.

The Hawaiian Islands are already beginning to see the impact of climate change through sea level rise, shoreline erosion, coral bleaching due to warming sea surface temperatures, changing weather patterns including warmer air temperatures and more frequent droughts, and increased frequency and severity of wildfires. A long-term conservation goal of the current project is to reestablish the historically cooler, wetter microclimates once found in the project area to mitigate the impact of global warming trends on the local climate. Breaking the cycle of wildfire by establishing fuel breaks is the first step toward restoring these microclimates. Restoration projects throughout Hawai'i demonstrate that native plants will reestablish themselves in areas taken over by nonnative species when the conditions that allow the nonnative species to outcompete the native species are removed. Successful examples of this type of restoration include the upper elevation areas of Waikamoi Preserve on Maui and shoreline areas of Mo'omomi Preserve on Moloka'i. In both Preserves, removing invasive trees allowed the native plant seedbanks lying dormant in the soil to return without outplanting and cultivation. In the case of the project area, the nonnative grasses that dominate the landscape are fire adapted and return very quickly after a fire in the area. Native species are not as well adapted to fire, and regular occurrences of wildfire prevents reestablishment on the landscape. Fuel breaks will help prevent fire, and will isolate fires that do start to smaller areas. Successful fuel breaks, along with the removal of key nonnative species, will provide native plants with the necessary time and space to reestablish themselves. Native plants will provide ground cover and help capture moisture from the air. This will support the restoration of cooler, wetter microclimates in the project area and increase the ability of the project area to mitigate global warming trends at the local level.

Due to Hawaii's unique steep volcanic geography, it is not possible to implement land-based projects without also considering the impact those projects will have on the ocean environment. When land is disturbed for development, roads or agriculture, or when natural vegetative cover is lost due to dry conditions or wildfires, erosion results and causes

sediment-laden water to flow into the ocean. Sediment hinders the ability of corals to reproduce and to conduct photosynthesis. Coral reef ecosystems are critically important to the Hawaiian Island ocean ecosystem. They provide habitat for many types of marine life, including endangered and threatened species of marine mammals, fish, corals, and sea turtles, and are the foundation for the central Pacific Ocean food web.

Protecting reefs is also critically important for protecting Maui's communities. Sea level rise and the coastal erosion and inundation associated with it are of great concern to every coastal community on Maui. Beaches are eroding, structures are falling into the ocean, and roadways are regularly flooded during high tides. In the absence of worldwide efforts to mitigate climate change, the island's biggest defense against sea level rise comes from coral reefs. Offshore reefs absorb and redirect wave energy protecting the shoreline. Unfortunately, warming sea surface temperatures related to climate change stress corals and cause them to bleach. If the warming events are short, corals can recover, but climate change is trending toward long warming events and corals are beginning to die.

Research has shown that the best way to prevent coral bleaching is to eliminate as many other stressors to coral as possible. In Hawaii this means turning to the land to restore watersheds. Reducing the amount of sediment, polluted runoff, and nutrients from wastewater and other contaminated sources entering the water is extremely important for helping reefs build resilience in the face of climate change. In clear, clean water, corals have a much better chance of tolerating rising temperatures and continuing to offer their services as a protector of Maui's coastlines.

Mā'alaea Bay lies directly below the project area and is home to home to several large and important coral reef tracks. These reefs are known as "seed reefs" for Maui Nui (Maui, Moloka'i, Lana'i, and Kaho'olawe), providing coral larvae for many other reefs around the islands. They also provide important habitat for threatened and endangered species and protect communities and property along the south Maui coastline. Preventing and mitigating fire in the project area will allow Maui Nui Marine Resource Council (MNMRC) and partner organizations to significantly reduce the amount of sediment entering the Mā'alaea Bay reef ecosystem, thereby addressing a long-term conservation goal to protect the coral reefs that seed Maui Nui and protect coastal communities.

It is important to recognize that the Hawaiian Islands are relatively small (Maui is 1161 square miles), and what happens in one area of an island has a large impact on the entire island community. Regular wildfires in the project area threaten the social and economic well-being of communities in central, south, and west Maui, particularly when wildfire shuts down Honoaopi'ilani Highway. Honoapi'ilani Highway is the only well-maintained road providing access between the east and west sides of the island. It is a critical transportation corridor, the only practical way for people to travel between homes and businesses on each side of the island. Even more concerning, the only major medical center on Maui is located in Kahului, a central Maui community. When Honoapi'ilani Highway is closed, emergency vehicles and personnel are prevented from transporting people between west Maui communities and the hospital, and this can turn emergencies into costly and potentially life-threatening situations.

Reducing the amount of wildfire in the project area will help restore native plants and the cooler, wetter microclimate areas associated with them. It will reduce the amount of sediment running off the project area onto the reef improving overall reef health. Cooler microclimates and healthier reefs will help mitigate the local impact of global climate change which will in turn increase the well-being of people who rely on healthy coral reefs to provide food, protect their homes and businesses, and maintain their way of life. Wildfire reduction in the project area will also improve air quality by reducing smoke and dust in the air. It will improve groundwater recharge and reduce the number of times a critical roadway is closed each year.

Engagement: Who will be involved in the planning and implementation phases of the project? Describe community characteristics of the project area and identify any targeted audiences in underserved or high-need communities. Use poverty statistics, school lunch data or demographic records to articulate high-need or underserved communities and identify how the project increases community members' access to nature and decreases their potential risk of harm from potential environmental hazards.

In November, 2018 Maui Nui Marine Resource Council (MNMRC) commissioned Maui Environmental Consulting (MEC) to provide a stormwater management plan for the Pohakea watershed. In simple terms, the mission of MNMRC is to work for clean ocean water, healthy coral reefs, and abundant native fish. The organization sought the help of MEC to better understand the land-based sources of pollution impacting the coral reefs below the Pohakea watershed. The resulting document, titled Pohakea Watershed Stormwater Management Plan (hereafter Stormwater Plan) outlined sources

of sedimentation and other pollutants and provided a plan for prioritizing mitigation projects. One of the top priorities listed in the Stormwater Plan was to mitigate wildfire.

At around the same time as the publication of the Stormwater Plan, MNMRC was approached by the Division of Forestry and Wildlife (DOFAW), a branch of the Hawaii Department of Land and Natural Resources (DLNR). DOFAW is currently in the process of making the land in the project area a Forest Reserve with a multi-use area designation. MNMRC is known in the Maui conservation community for its skill in convening disparate groups to work toward a common goal, and DOFAW requested the support of MNMRC to bring together several organizations who could work toward mitigating fire in the soon to be Forest Reserve project area. In January, 2019 representatives from MEC, Maui Ocean Center, West Maui Ridge to Reef Initiative, Mauna Kahalawai Watershed Partnership, the Department of Land and Natural Resources' Division of Aquatic Wildlife and DOFAW, and the Hawai'i Association for Marine Education and Research met to discuss wildfire prevention and mitigation in the project area. The meeting concluded with a list of action items assigned to each group and a commitment to support efforts to prevent and mitigate wildfire. Action items already underway include talking with Maui Electric Company (MECO) to discuss their ongoing fire prevention efforts, talking with private land owners with land adjacent to the project area about best management practices and mitigation strategies, researching legal precedents for cases of wrongful wildfire ignition, and DOFAW has begun removing wild ungulates from the area.

In addition to the nonprofit, government, and privately owned organizations that have begun working toward fire prevention and mitigation in Pohakea, the project will also engage members of the Maui community. MNMRC regularly meets with the Mā'alaea Community Association (MCA) to discuss important environmental projects in the Pohakea watershed. Mā'alaea is a small community that lies within the Pohakea watershed and directly below the project area. It is home to condo associations, private residences, and a commercial center that includes several restaurants, shops, the Pacific Whale Foundation, the Maui Ocean Center, and an important small boat harbor that supports the U.S. Coast Guard and 40% of the tour and fishing boats operating in Maui. The Maui Ocean Center is one of the only aquariums in the world successfully growing corals in captivity and they also have an important green sea turtle recovery program. The research work done there is important to coral reef ecosystems worldwide. The nonprofit Pacific Whale Foundation also contributes significantly to research on humpback whales and other marine mammals. The small boat harbor provides ocean access for many small business owners who make a living by taking visitors out on the water to snorkel, dive, fish and enjoy Maui's natural beauty. Several times every year wildfire threatens Mā'alaea impacting residents, educators, businesses and anyone who relies on the small boat harbor.

As mentioned above, Maui is small and wildfire in the project area has a significant negative impact on the entire island community, not just Mā'alaea. According to the *Maui County Tourism Industry Strategic Plan 2017-2026*, a majority of visitors travel to Maui to enjoy the island's natural resources. Currently, the largest industry on Maui is the Accommodations and Food Services Industry. A majority of the nearly 10,000 people employed in this industry are nonwhite and work in housekeeping, grounds keeping, food service and other lower-level service occupations. According to the *Economic Development Issue Paper* prepared for The County of Maui, the average annual salary for these jobs falls right at the living wage standard of \$32,000. These jobs provide a critical source of household income to Maui's poorest families. If visitor rates decline due to loss of natural resources, Maui's largest source of employment will also decline. Wildfire already directly impacts these employees when it closes Honoapi'ilani Highway and people commuting to west Maui resorts and hotels are unable to work.

According to the US Census Bureau, 10.9% of people from Maui County identify as Native Hawaiian and another 23.8% identify as mixed-race, which includes people who have native Hawaiian ancestry. Ten percent of the population of Maui County lives in poverty. Of the ten percent of people living in poverty, 20% are Pacific Islanders. The Westernization of the Hawaiian Islands has not been kind to the native Hawaiian people. Like Native American populations on the U.S. Mainland, the arrival of Westerners led to disease, the theft of land and water, and the loss of language and culture. The continued degradation of natural resources due to human activities is a modern example of ongoing disrespect for Hawai'i and its people.

Healthy native ecosystems are of critical cultural and spiritual importance to the Hawaiian people. As an example, the Hawaiian creation chant, the Kumulipo, explains how life begins and identifies the coral polyp (koʻa) as the first organism created, the building block for all other life. The Kumulipo teaches that life in the sea and land are inexorably connected, and what people do on land has a direct connection to and impact on organisms in the sea and vice versa. Breaking the cycle of fire in the Pohakea watershed is one way to mitigate the impact of Westernization on Maui and increase the well-

being of the Hawaiian community. By working to restore and preserve both land and ocean native Hawaiian ecosystems, MNMRC can help ensure young Hawaiians have access to the natural places intricately connected to their cultural heritage and help keep traditional knowledge alive.

Preventing wildfire in the Pohakea watershed helps restore damaged native ecosystems. It supports the work of watershed partnerships working to keep adjacent native forest ecosystems intact. Preventing wildfire protects homes, businesses, and a small boat harbor. It keeps a critically important roadway open and allows Maui residents, many of whom represent minority groups in precarious financial situations, access to jobs and medical care. Preventing wildfire also ensures native Hawaiians have access to native land, flora, and fauna and are able to keep traditional practices alive as they work to undo the cultural and environmental damage of Westernization.

Activities: Elaborate on the primary activities that will be employed through the proposed grant. Explain how these activities address threats, opportunities and/or conservation outcome(s). How do these activities relate to established plans (management, conservation, recovery, etc.)?

The primary conservation activities are centered on fire prevention and mitigation strategies. By improving existing fuel breaks, modifying existing unimproved roads for use as fuel breaks, creating new fuel breaks, and establishing fire-resistant vegetation, MNMRC and partners hope to significantly reduce the number, size, and intensity of wildfires within the project area. The activities will take place over the course of two years beginning in September, 2019 and concluding by August, 2021. All activities are a part of the Pohaka Watershed Stormwater Management Plan and will be implemented according to the following timeline:

September – October 2019: During the start-up phase of the proposed project, MNMRC will work with partners to establish baseline data. Volunteers from Hui O Ka Wai Ola, MNMRCs water quality monitoring program, will collect nearshore ocean water quality data at five specific sites in Māʻalaea Bay to better understand the water quality challenges associated with the Pohakea watershed and to provide baseline data by which to better understand the efficacy of the current project over time. Hui O Ka Wai Ola (Hui) is run almost entirely by volunteers from the Maui community. These volunteers are trained to follow the Hui's Department of Health (DOH) approved Quality Assured Project Plan (QAPP) and provide high quality data trusted by the DOH, the Environmental Protection Agency (EPA), and watershed and reef managers. They are also trained to interact and educate the public on water quality monitoring and the land-based causes of poor water quality.

In addition to setting up data monitoring, MNMRC will work with Maui Environmental Consulting (MEC) and the Division of Forestry and Wildlife (DOFAW) to further map and document existing roads and fuel break corridors using GIS. This process will allow MNMRC to better understand where current fuel breaks are located, how existing unimproved roads can be utilized as fuel breaks, and where to place new fuel breaks. Starr Environmental will support MNMRC in identifying existing native species of flora and fauna and potential seedbanks to be used in the revegetation activities to take place later in the project.

In preparation for upcoming project activities, MNMRC will purchase equipment and contract a vegetation manager to help with strategically clearing nonnative species contributing to wildfire. MNMRC will also begin the process of recruiting and training interested community members for volunteer work. During the first part of the project period these volunteers will help with removing invasive species, clearing vegetation along fire breaks, and moving soil with shovels and other hand tools. During the latter part of the project these volunteers will help with planting fire resistant plants such as vetiver (*Chrysopogon zizanioides*). MNMRC has a close relationship with Maui Cultural Lands (MCL), a nonprofit established and managed by a local Hawaiian family to restore culturally significant areas. MCL is already working in the area and will help MNMRC to recruit volunteers. MNMRC will also reach out to local schools to recruit students to support vegetation clearing and planting as part of the volunteer and education program.

November 2019 – June 2020: During this phase of the project MMNRC will work with MEC, DOFAW, the vegetation manager, and volunteers to reestablish existing fuel breaks, convert existing unimproved roads into fuel breaks, and establish strategic new fuel breaks.

July - August 2020: MNMRC will work with the vegetation manager and volunteer crews to establish strategically placed irrigation systems to support fire resistant plants and native outplanting.

September - November, 2020: With irrigation systems in place and wetter winter weather on the way, MNMRC will work with the vegetation manager and volunteer crews to plant fire resistant plants and native plants at strategic locations throughout the project area.

December, 2020 – August, 2021: During the final phase of the project MNMRC, DOFAW, the vegetation manager, and volunteer crews will work to maintain fuel breaks and monitor fire resistant and native plant growth. Efforts will be directed toward creating a fuel break maintenance program that can be fully managed by DOFAW past the project period. As fire resistant and native plants become more established and begin reproducing on their own, they will create cooler wetter microclimates and require less irrigation. By the end of the project period irrigation systems will be removed from the project area. MNMRC and volunteers will run outreach programs focused on educating youth and the public on effective fire prevention and mitigation strategies and the positive impact of native land ecosystems on the coral reefs. Outreach programs will also help to educate homeowners on landscaping strategies effective in preventing wildfire.

August, 2021: As the project period concludes, maintenance of the project area fuel breaks will be transferred entirely to DOFAW as part of their Forest Reserve management program. Fire resistant vegetation will be established and reproducing on its own, continuing to positively change the project area over time. The project area will be a model for other organizations looking to prevent wildfire and reduce erosion in the Hawaiian Islands.

Outcomes and Indicators: Describe the general monitoring approach that will be used to assess progress on one or more of the indicators presented previously in the application. Please note any challenges or limitations you anticipate in conducting this monitoring or the interpretation of anticipated results.

The primary goal of the current project is to prevent the frequency and intensity of wildfire on 3,414 acres of state owned land. The Division of Forestry and Wildlife (DOFAW) is currently working to designate the land as a Forest Reserve to allow for increased allocation of management resources. MNMRC's establishment of appropriate fuel breaks and erosion prevention through outplanting will establish best management practices for fire prevention and suppression within the project area. By the end of the grant period DOFAW will have the Forest Reserve designation for the project area and will be able to maintain the best management practices established by MNMRC's work. Restoration success will be most evident beyond the timeline of the project period as maintained fuel breaks result in fewer wildfires and native habitats are reestablished over time.

To accomplish the primary goal, MNMRC must work with many other organizations. Collaboration with DOFAW is critical to the success of the project, as is working closely with the private businesses, nonprofit organizations, community associations, and conservation groups living near or working within the project area. MNMRC has already started the process of developing the partnerships that will allow for successful project completion, and these partnerships will serve to increase long-term institutional capacity, both for working both toward fire prevention and for restoring watersheds, in Hawai'i.

One of the biggest challenges in conservation work is public outreach. Nonprofit and government organizations are always working to engage more fully with the public to help them understand environmental challenges and their individual role in mitigating them. By the end of the project period MNMRC plants to grow its combined outreach (social media, newsletters, meeting attendance) by 1000 individuals, or 18%. During the project period this outreach will include information and education on wildfire related environmental challenges, fire prevention, and protecting personal property from wildfire. MNMRC will also work to recruit volunteers. Demographic information such as age, race, and gender will be collected from all volunteers including student groups. The influence of Maui Cultural Lands will help MNMRC better reach the Hawaiian community for participation in volunteer and outreach events, but MNMRC anticipates volunteer recruitment to be one of the biggest challenges.

Neither the State of Hawai'i nor the County of Maui have data for determining the cost of wildfire. However, the Hawai'i Wildfire Management Organization reports that every year the state's wildfire suppression budget is depleted before wildfire season starts. Firefighting budgets are small, and this minimizes the County's ability to be proactive through fire prevention and mitigation. While MNMRC cannot provide a specific number, the establishment of fuel breaks in the project area will reduce the number of fires fought by Maui County firefighters saving the County money. It will also reduce the number of Honoapi'ilani highway closures, thus reducing the amount of tourism dollars lost when visitors cannot travel between the airport and their west Maui destinations.

Successful project completion will be indicated by the presence of fuel breaks to protect 3,414 acres, and over time, a reduction in the number of and size of fires within the project area. It will also be indicated by establishing long-term partnerships among government, nonprofit, and community groups, by an increased in the number of community members educated via MNMRCs outreach activities, and by a reduction in the cost of fire to Maui County.

Project Team: List key individuals and describe their qualifications relevant for project implementation.

Amy Hodges –Amy has worked with MNMRC for over seven years and has managed all of the organization's grants and projects during that time. In 2018 she managed a \$321,000 budget for MNMRC. During the project period, Amy is responsible for managing all aspects activities outlined in the grant including hiring and coordinating with contractors, ordering materials and supplies, convening meetings and coordinating project work with partners, and managing volunteers in the field.

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Additional Metrics

Economic Metric: Green infrastructure Unit of Measurement: % cost avoided

Starting Value: 0% Target Value: 25% - 50%

Description: As described in the narrative, there are no statistics on the cost of wildfire per acre for Hawai'i. The number and severity of wildfires has steadily increased over the last 20 years, and it can be assumed this trend will continue moving forward. Fuel break work in the project area will break the cycle of fire and reduce the number and severity of fires in the project area over time. It is predicted that the mitigation efforts of this project will decrease fire intensity and/or frequency in the area by between 25% - 50%, resulting in a 25% - 50% savings in the cost of wildfire for the County of Maui (Costs: firefighting, life and property loss, economic and environmental impacts).

Other Indicators

MNMRC will also be looking at outcomes and indicators that fall outside of the scope of this grant. Our water quality monitoring program, Hui O Ka Wai Ola, has been monitoring nearshore ocean water quality in Mā'alaea Bay for over a year and will continue to do so throughout the project period. The data they collect on ocean chemistry, bacteria, turbidity and nutrients will help MNMRC better understand how the current project is impacting nearshore water quality.



Resilient Communities Category 1 Full Proposal Project Narrative

Writing Instructions: Please provide a six-page narrative that answers these six questions.

Long-Term Conservation Outcome(s): Elaborate on the long-term conservation outcome(s) summarized previously in the application; discuss what makes the outcome(s) address conservation needs and improve community resilience and well-being.

The project area is 3,414 acres of unencumbered public state-owned land. Once dominated by native forest and shrubland, years of ranching and agriculture have drastically changed the landscape. On the upper slopes ungulates disturbed top soil, trampled and ate native plants important for keeping soil cool and moist, and killed native trees that provided shade and collected moisture from the air. On the lower slopes native ecosystems were replaced by sugarcane plantations that diverted water away from natural stream channels for irrigation. These changes altered microclimates across the project area creating a hotter and drier landscape that allowed fast growing nonnative grasses to take over. Once established, these grasses grew quickly during wetter seasons and then died off during drier seasons further contributing to warmer ground temperatures and providing an excellent fuel source for wildfire. Today, regular wildfires encroach on remaining upper elevation native forests above the project area, negatively impact the coral reef ocean ecosystems below the project area and threaten property and access to several Maui communities.

According to the Hawaii Wildfire Management Organization, wildfires are increasing in frequency, size and severity on every Hawaiian Island. For the past decade, due at least in part to a warming, drying climate and increased frequency and strength of El Niño years, over 1000 fires have occurred across the state burning between 20,000 – 45,000 acres per year. When looked at as a percentage of total acreage, the .5% of land area burned each year in Hawai'i is equal to or greater than the percent of land area that burns each year in every other state. These fires are a serious threat to Hawai'i's native ecosystems, none of which are fire adapted. Fires kill native vegetation making room for exotic species to become invasive. Heavy rains falling on recently burned lands sloughs off topsoil making it impossible for vegetation to grow. This leads to streams full of sediment washing into the coral reef ecosystem and smothering corals. Human health is at risk as well. Smoke reduces air quality during a fire and dust blowing off denuded landscapes impacts air quality for months or even years after a fire. Burned soil decreases groundwater recharge affecting drinking water supplies, and neighborhoods are threatened. Every year fires in the project area encroach on adjacent native forests, close an essential roadway, increase sediment loads to nearby reefs, and threaten life and property.

The Hawaiian Islands are already beginning to see the impact of climate change through sea level rise, shoreline erosion, coral bleaching due to warming sea surface temperatures, changing weather patterns including warmer air temperatures and more frequent droughts, and increased frequency and severity of wildfires. A long-term conservation goal of the current project is to reestablish the historically cooler, wetter microclimates once found in the project area to mitigate the impact of global warming trends on the local climate. Breaking the cycle of wildfire by establishing fuel breaks is the first step toward restoring these microclimates. Restoration projects throughout Hawai'i demonstrate that native plants will reestablish themselves in areas taken over by nonnative species when the conditions that allow the nonnative species to outcompete the native species are removed. Successful examples of this type of restoration include the upper elevation areas of Waikamoi Preserve on Maui and shoreline areas of Mo'omomi Preserve on Moloka'i. In both Preserves, removing invasive trees allowed the native plant seedbanks lying dormant in the soil to return without outplanting and cultivation. In the case of the project area, the nonnative grasses that dominate the landscape are fire adapted and return very quickly after a fire in the area. Native species are not as well adapted to fire, and regular occurrences of wildfire prevents reestablishment on the landscape. Fuel breaks will help prevent fire, and will isolate fires that do start to smaller areas. Successful fuel breaks, along with the removal of key nonnative species, will provide native plants with the necessary time and space to reestablish themselves. Native plants will provide ground cover and help capture moisture from the air. This will support the restoration of cooler, wetter microclimates in the project area and increase the ability of the project area to mitigate global warming trends at the local level.

Due to Hawaii's unique steep volcanic geography, it is not possible to implement land-based projects without also considering the impact those projects will have on the ocean environment. When land is disturbed for development, roads or agriculture, or when natural vegetative cover is lost due to dry conditions or wildfires, erosion results and causes sediment-laden water to flow into the ocean. Sediment hinders the ability of corals to reproduce and to conduct photosynthesis. Coral reef ecosystems are critically important to the Hawaiian Island ocean ecosystem. They provide

habitat for many types of marine life, including endangered and threatened species of marine mammals, fish, corals, and sea turtles, and are the foundation for the central Pacific Ocean food web.

Protecting reefs is also critically important for protecting Maui's communities. Sea level rise and the coastal erosion and inundation associated with it are of great concern to every coastal community on Maui. Beaches are eroding, structures are falling into the ocean, and roadways are regularly flooded during high tides. In the absence of worldwide efforts to mitigate climate change, the island's biggest defense against sea level rise comes from coral reefs. Offshore reefs absorb and redirect wave energy protecting the shoreline. Unfortunately, warming sea surface temperatures related to climate change stress corals and cause them to bleach. If the warming events are short, corals can recover, but climate change is trending toward long warming events and corals are beginning to die.

Research has shown that the best way to prevent coral bleaching is to eliminate as many other stressors to coral as possible. In Hawaii this means turning to the land to restore watersheds. Reducing the amount of sediment, polluted runoff, and nutrients from wastewater and other contaminated sources entering the water is extremely important for helping reefs build resilience in the face of climate change. In clear, clean water, corals have a much better chance of tolerating rising temperatures and continuing to offer their services as a protector of Maui's coastlines.

Mā'alaea Bay lies directly below the project area and is home to home to several large and important coral reef tracks. These reefs are known as "seed reefs" for Maui Nui (Maui, Moloka'i, Lana'i, and Kaho'olawe), providing coral larvae for many other reefs around the islands. They also provide important habitat for threatened and endangered species and protect communities and property along the south Maui coastline. Preventing and mitigating fire in the project area will allow Maui Nui Marine Resource Council (MNMRC) and partner organizations to significantly reduce the amount of sediment entering the Mā'alaea Bay reef ecosystem, thereby addressing a long-term conservation goal to protect the coral reefs that seed Maui Nui and protect coastal communities.

It is important to recognize that the Hawaiian Islands are relatively small (Maui is 1161 square miles), and what happens in one area of an island has a large impact on the entire island community. Regular wildfires in the project area threaten the social and economic well-being of communities in central, south, and west Maui, particularly when wildfire shuts down Honoaopi'ilani Highway. Honoapi'ilani Highway is the only well-maintained road providing access between the east and west sides of the island. It is a critical transportation corridor, the only practical way for people to travel between homes and businesses on each side of the island. Even more concerning, the only major medical center on Maui is located in Kahului, a central Maui community. When Honoapi'ilani Highway is closed, emergency vehicles and personnel are prevented from transporting people between west Maui communities and the hospital, and this can turn emergencies into costly and potentially life-threatening situations.

Reducing the amount of wildfire in the project area will help restore native plants and the cooler, wetter microclimate areas associated with them. It will reduce the amount of sediment running off the project area onto the reef improving overall reef health. Cooler microclimates and healthier reefs will help mitigate the local impact of global climate change which will in turn increase the well-being of people who rely on healthy coral reefs to provide food, protect their homes and businesses, and maintain their way of life. Wildfire reduction in the project area will also improve air quality by reducing smoke and dust in the air. It will improve groundwater recharge and reduce the number of times a critical roadway is closed each year.

Engagement: Who will be involved in the planning and implementation phases of the project? Describe community characteristics of the project area and identify any targeted audiences in underserved or high-need communities. Use poverty statistics, school lunch data or demographic records to articulate high-need or underserved communities and identify how the project increases community members' access to nature and decreases their potential risk of harm from potential environmental hazards.

In November, 2018 Maui Nui Marine Resource Council (MNMRC) commissioned Maui Environmental Consulting (MEC) to provide a stormwater management plan for the Pohakea watershed. In simple terms, the mission of MNMRC is to work for clean ocean water, healthy coral reefs, and abundant native fish. The organization sought the help of MEC to better understand the land-based sources of pollution impacting the coral reefs below the Pohakea watershed. The resulting document, titled Pohakea Watershed Stormwater Management Plan (hereafter Stormwater Plan) outlined sources of sedimentation and other pollutants and provided a plan for prioritizing mitigation projects. One of the top priorities listed in the Stormwater Plan was to mitigate wildfire.

At around the same time as the publication of the Stormwater Plan, MNMRC was approached by the Division of Forestry and Wildlife (DOFAW), a branch of the Hawaii Department of Land and Natural Resources (DLNR). DOFAW is currently in the process of making the land in the project area a Forest Reserve with a multi-use area designation. MNMRC is

known in the Maui conservation community for its skill in convening disparate groups to work toward a common goal, and DOFAW requested the support of MNMRC to bring together several organizations who could work toward mitigating fire in the soon to be Forest Reserve project area. In January, 2019 representatives from MEC, Maui Ocean Center, West Maui Ridge to Reef Initiative, Mauna Kahalawai Watershed Partnership, the Department of Land and Natural Resources' Division of Aquatic Wildlife and DOFAW, and the Hawai'i Association for Marine Education and Research met to discuss wildfire prevention and mitigation in the project area. The meeting concluded with a list of action items assigned to each group and a commitment to support efforts to prevent and mitigate wildfire. Action items already underway include talking with Maui Electric Company (MECO) to discuss their ongoing fire prevention efforts, talking with private land owners with land adjacent to the project area about best management practices and mitigation strategies, researching legal precedents for cases of wrongful wildfire ignition, and DOFAW has begun removing wild ungulates from the area.

In addition to the nonprofit, government, and privately owned organizations that have begun working toward fire prevention and mitigation in Pohakea, the project will also engage members of the Maui community. MNMRC regularly meets with the Mā'alaea Community Association (MCA) to discuss important environmental projects in the Pohakea watershed. Mā'alaea is a small community that lies within the Pohakea watershed and directly below the project area. It is home to condo associations, private residences, and a commercial center that includes several restaurants, shops, the Pacific Whale Foundation, the Maui Ocean Center, and an important small boat harbor that supports the U.S. Coast Guard and 40% of the tour and fishing boats operating in Maui. The Maui Ocean Center is one of the only aquariums in the world successfully growing corals in captivity and they also have an important green sea turtle recovery program. The research work done there is important to coral reef ecosystems worldwide. The nonprofit Pacific Whale Foundation also contributes significantly to research on humpback whales and other marine mammals. The small boat harbor provides ocean access for many small business owners who make a living by taking visitors out on the water to snorkel, dive, fish and enjoy Maui's natural beauty. Several times every year wildfire threatens Mā'alaea impacting residents, educators, businesses and anyone who relies on the small boat harbor.

As mentioned above, Maui is small and wildfire in the project area has a significant negative impact on the entire island community, not just Mā'alaea. According to the *Maui County Tourism Industry Strategic Plan 2017-2026*, a majority of visitors travel to Maui to enjoy the island's natural resources. Currently, the largest industry on Maui is the Accommodations and Food Services Industry. A majority of the nearly 10,000 people employed in this industry are nonwhite and work in housekeeping, grounds keeping, food service and other lower-level service occupations. According to the *Economic Development Issue Paper* prepared for The County of Maui, the average annual salary for these jobs falls right at the living wage standard of \$32,000. These jobs provide a critical source of household income to Maui's poorest families. If visitor rates decline due to loss of natural resources, Maui's largest source of employment will also decline. Wildfire already directly impacts these employees when it closes Honoapi'ilani Highway and people commuting to west Maui resorts and hotels are unable to work.

According to the US Census Bureau, 10.9% of people from Maui County identify as Native Hawaiian and another 23.8% identify as mixed-race, which includes people who have native Hawaiian ancestry. Ten percent of the population of Maui County lives in poverty. Of the ten percent of people living in poverty, 20% are Pacific Islanders. The Westernization of the Hawaiian Islands has not been kind to the native Hawaiian people. Like Native American populations on the U.S. Mainland, the arrival of Westerners led to disease, the theft of land and water, and the loss of language and culture. The continued degradation of natural resources due to human activities is a modern example of ongoing disrespect for Hawai'i and its people.

Healthy native ecosystems are of critical cultural and spiritual importance to the Hawaiian people. As an example, the Hawaiian creation chant, the Kumulipo, explains how life begins and identifies the coral polyp (koʻa) as the first organism created, the building block for all other life. The Kumulipo teaches that life in the sea and land are inexorably connected, and what people do on land has a direct connection to and impact on organisms in the sea and vice versa. Breaking the cycle of fire in the Pohakea watershed is one way to mitigate the impact of Westernization on Maui and increase the well-being of the Hawaiian community. By working to restore and preserve both land and ocean native Hawaiian ecosystems, MNMRC can help ensure young Hawaiians have access to the natural places intricately connected to their cultural heritage and help keep traditional knowledge alive.

Preventing wildfire in the Pohakea watershed helps restore damaged native ecosystems. It supports the work of watershed partnerships working to keep adjacent native forest ecosystems intact. Preventing wildfire protects homes, businesses, and a small boat harbor. It keeps a critically important roadway open and allows Maui residents, many of whom represent minority groups in precarious financial situations, access to jobs and medical care. Preventing wildfire also ensures native Hawaiians have access to native land, flora, and fauna and are able to keep traditional practices alive as they work to undo the cultural and environmental damage of Westernization.

Activities: Elaborate on the primary activities that will be employed through the proposed grant. Explain how these activities address threats, opportunities and/or conservation outcome(s). How do these activities relate to established plans (management, conservation, recovery, etc.)?

The primary conservation activities are centered on fire prevention and mitigation strategies. By improving existing fuel breaks, modifying existing unimproved roads for use as fuel breaks, creating new fuel breaks, and establishing fire-resistant vegetation, MNMRC and partners hope to significantly reduce the number, size, and intensity of wildfires within the project area. The activities will take place over the course of two years beginning in September, 2019 and concluding by August, 2021. All activities are a part of the Pohaka Watershed Stormwater Management Plan and will be implemented according to the following timeline:

September – October 2019: During the start-up phase of the proposed project, MNMRC will work with partners to establish baseline data. Volunteers from Hui O Ka Wai Ola, MNMRCs water quality monitoring program, will collect nearshore ocean water quality data at five specific sites in Mā'alaea Bay to better understand the water quality challenges associated with the Pohakea watershed and to provide baseline data by which to better understand the efficacy of the current project over time. Hui O Ka Wai Ola (Hui) is run almost entirely by volunteers from the Maui community. These volunteers are trained to follow the Hui's Department of Health (DOH) approved Quality Assured Project Plan (QAPP) and provide high quality data trusted by the DOH, the Environmental Protection Agency (EPA), and watershed and reef managers. They are also trained to interact and educate the public on water quality monitoring and the land-based causes of poor water quality.

In addition to setting up data monitoring, MNMRC will work with Maui Environmental Consulting (MEC) and the Division of Forestry and Wildlife (DOFAW) to further map and document existing roads and fuel break corridors using GIS. This process will allow MNMRC to better understand where current fuel breaks are located, how existing unimproved roads can be utilized as fuel breaks, and where to place new fuel breaks. Starr Environmental will support MNMRC in identifying existing native species of flora and fauna and potential seedbanks to be used in the revegetation activities to take place later in the project.

In preparation for upcoming project activities, MNMRC will purchase equipment and contract a vegetation manager to help with strategically clearing nonnative species contributing to wildfire. MNMRC will also begin the process of recruiting and training interested community members for volunteer work. During the first part of the project period these volunteers will help with removing invasive species, clearing vegetation along fire breaks, and moving soil with shovels and other hand tools. During the latter part of the project these volunteers will help with planting fire resistant plants such as vetiver (*Chrysopogon zizanioides*). MNMRC has a close relationship with Maui Cultural Lands (MCL), a nonprofit established and managed by a local Hawaiian family to restore culturally significant areas. MCL is already working in the area and will help MNMRC to recruit volunteers. MNMRC will also reach out to local schools to recruit students to support vegetation clearing and planting as part of the volunteer and education program.

November 2019 – June 2020: During this phase of the project MMNRC will work with MEC, DOFAW, the vegetation manager, and volunteers to reestablish existing fuel breaks, convert existing unimproved roads into fuel breaks, and establish strategic new fuel breaks.

July - August 2020: MNMRC will work with the vegetation manager and volunteer crews to establish strategically placed irrigation systems to support fire resistant plants and native outplanting.

September - November, 2020: With irrigation systems in place and wetter winter weather on the way, MNMRC will work with the vegetation manager and volunteer crews to plant fire resistant plants and native plants at strategic locations throughout the project area.

December, 2020 – August, 2021: During the final phase of the project MNMRC, DOFAW, the vegetation manager, and volunteer crews will work to maintain fuel breaks and monitor fire resistant and native plant growth. Efforts will be directed toward creating a fuel break maintenance program that can be fully managed by DOFAW past the project period. As fire resistant and native plants become more established and begin reproducing on their own, they will create cooler wetter microclimates and require less irrigation. By the end of the project period irrigation systems will be removed from the project area. MNMRC and volunteers will run outreach programs focused on educating youth and the public on effective fire prevention and mitigation strategies and the positive impact of native land ecosystems on the coral reefs. Outreach programs will also help to educate homeowners on landscaping strategies effective in preventing wildfire.

August, 2021: As the project period concludes, maintenance of the project area fuel breaks will be transferred entirely to DOFAW as part of their Forest Reserve management program. Fire resistant vegetation will be established and

reproducing on its own, continuing to positively change the project area over time. The project area will be a model for other organizations looking to prevent wildfire and reduce erosion in the Hawaiian Islands.

Outcomes and Indicators: Describe the general monitoring approach that will be used to assess progress on one or more of the indicators presented previously in the application. Please note any challenges or limitations you anticipate in conducting this monitoring or the interpretation of anticipated results.

The primary goal of the current project is to prevent the frequency and intensity of wildfire on 3,414 acres of state owned land. The Division of Forestry and Wildlife (DOFAW) is currently working to designate the land as a Forest Reserve to allow for increased allocation of management resources. MNMRC's establishment of appropriate fuel breaks and erosion prevention through outplanting will establish best management practices for fire prevention and suppression within the project area. By the end of the grant period DOFAW will have the Forest Reserve designation for the project area and will be able to maintain the best management practices established by MNMRC's work. Restoration success will be most evident beyond the timeline of the project period as maintained fuel breaks result in fewer wildfires and native habitats are reestablished over time.

To accomplish the primary goal, MNMRC must work with many other organizations. Collaboration with DOFAW is critical to the success of the project, as is working closely with the private businesses, nonprofit organizations, community associations, and conservation groups living near or working within the project area. MNMRC has already started the process of developing the partnerships that will allow for successful project completion, and these partnerships will serve to increase long-term institutional capacity, both for working both toward fire prevention and for restoring watersheds, in Hawai'i.

One of the biggest challenges in conservation work is public outreach. Nonprofit and government organizations are always working to engage more fully with the public to help them understand environmental challenges and their individual role in mitigating them. By the end of the project period MNMRC plants to grow its combined outreach (social media, newsletters, meeting attendance) by 1000 individuals, or 18%. During the project period this outreach will include information and education on wildfire related environmental challenges, fire prevention, and protecting personal property from wildfire. MNMRC will also work to recruit volunteers. Demographic information such as age, race, and gender will be collected from all volunteers including student groups. The influence of Maui Cultural Lands will help MNMRC better reach the Hawaiian community for participation in volunteer and outreach events, but MNMRC anticipates volunteer recruitment to be one of the biggest challenges.

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From: Kelly King

Sent: Thursday, April 25, 2019 9:49 AM

To: EDB Committee

Subject: Fw: Road to Hana Visitor Safety System Study - Summer 2019

Attachments: Visitor Safety System Study .pdf; HHR Visitor Safety System quote.pdf; HHR Visitor

Safety System Value Contributions.pdf

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793

mauicounty.us

From: admin@hanahighwayregulation.com <admin@hanahighwayregulation.com>

Sent: Wednesday, April 24, 2019 1:27 AM

To: Mayors.Office@co.maui.hi.us

Subject: Road to Hana Visitor Safety System Study - Summer 2019

Aloha

Based upon data and expertise available, The Road to Hana is in danger of a disaster occurrence of economic adversities, eroding resident sentiment, increasing congestion and traffic hazards, trespassing offenses, stream and ocean contamination, continued stress on sacred sites and ever-incurring human fatalities. Hawaii tourism is at risk both for its ability to maintain an acceptable quality of life for residents, quality of experience for visitors and economic vitality for the State. Hawaii tourism has been negatively affected by rapid growth, diminishing economic contributions, and the lack of a comprehensive tourism management plan. Specific evidence of negative impacts can be found in the economic, environmental, social and cultural impact reports compiled by various organizations over the last two years.

The Economic Research Organization at the University of Hawaii reports that a focus on visitor arrivals and nominal spending has masked a range of concerning underlying problems which, without change, will continue to undermine tourism's value as a positive contributor to the health of Hawaii's economy and Hawaii's communities. Adjusted for inflation, visitor spending has been dropping on trend for three decades. Hawaii now has more visitors than ever but has not experienced the commensurate growth in economic contribution that would be expected with that growth in arrivals. More

visitors require more services from State and County agencies and create more "wear and tear" on visitor sites and attractions. Congestion and inadequate management threaten the quality of the experience at sites popular with both visitors and residents. Based on surveys, the Hana region's resident satisfaction with tourism has fallen. If the visitor experience declines through continued lack of management and degradation of amenities, the County and State runs the risk that demand for Hawaii will erode.

The ultimate solution for visitor industry sustainability requires development of a new model. Hawaii Tourism Authority was expected to shift from marketing to adopt tourism management as a priority, this was a specific recommendation in the 2017 Resident Sentiment survey report. We request that the County of Maui, State of Hawaii, Hawaii Tourism Authority and all private property owners pertaining to this issue immediately allocate a portion of their budgets to adequately fund programs that enhance visitor safety along the Road to Hana. The attached pages entail a breakdown of the study and suggested value contributions based on calculated interest of the entities accountable for remediation. We have structured this request for funding as the totals due for past damages done to our communities. Whereas, the continued mismanagement threatens to cause damages, fatalities, losses and suffering of such character and magnitude to affect the health, welfare and living conditions of a substantial number of persons, and to affect the economy of the State, the Hana Highway Regulation makes warrant for rehabilitative assistance in the form of emergency funds to support a community-curated visitor safety system study this Summer 2019.

Remedy is long overdue and our community is exhausted at the bureacurocy and lack of communication by all parties regarding this subject matter. Please contact us at your earliest convenience so we may collaborate on solutions. Our community will not endure another Summer under these horrific conditions that have plagued our home for years. Should we have to privately fund this effort ourselves, we will take the initiative to do so and implement visitor management measures as we see necessary.

Mahalo.

Napua Hueu Commitee Chair | Hana Highway Regulation Po Box 202 Hana, HI 96713 | admin@hanahighwayregulation.com

ROAD TO HANA VISITOR SAFETY SYSTEM STUDY - SUMMER 2019

INTENTION:

Exercise a visitor safety system study comprised of trained resident field advisors, stationed at fifteen locations experiencing the most impact along the Road to Hana. Implement policies, procedures and basic infrastructure to facilitate effective visitor education and awareness.

PURPOSE:

To provide visitors with the accessibility to credible and current information, directions, recommendations, accurate history and culture. Disclaim concerning predicaments as they present themselves to prevent target offenses from occurring.

TARGET OFFENSES:

Illegal parking, trespassing on private property, unlicensed commercial activity and commercial activity within sacred sites have been identified as the culprits of chaos along the Road to Hana.

CONCEPT:

A network of "Visitor Information Stations". An all-terrain utility vehicle (two seater UTV mule) and a trained resident field-advisor positioned at each of the fifteen locations, to provide on-site visitor education and awareness.

RESEARCH:

Exercises of the Visitor Safety System during Summer of 2018 proved a 96% reduction in target offenses when field advisors were on-site to provide visitor education and awareness.

IMPLEMENTATION:

Resident training, uniform and equipment distribution, managerial oversight and reporting.

OBJECTIVES:

Decrease traffic hazards and emergency rescues that are triggered by target offenses. Rebuild resident sentiment for tourism by exemplifying place-specific visitor management efforts.

STUDY PERIOD:

06-01-19 - 09-31-19

SITES FOR IMPLEMENTATION:

1. Hookipa Beach Park	[owned by County of Maui]
2. Twin Falls Huelo	[owned by State of Hawaii]
3. Bamboo Forest Kailua	[owned by East Maui Irrigation]
4. Waikamoi Stream	[owned by East Maui Irrigation]
5. Honomanu	[owned by County of Maui]
6. Keanae	[owned by County of Maui]
7. Waikani / Wailuaiki	[owned by East Maui Irrigation]
8. Hanawi / Nahiku	[owned by East Maui Irrigation]
9. Waianapanapa	[owned by State of Hawaii]
10 Kaihalulu	foremed by House Densite Denter or

10. Kaihalulu [owned by Hana Ranch Partners, LLC]
 11. Hamoa [owned by Kingdom Come, LLC]
 12. Waioka [owned by Hana Ranch Partners, LLC]

13. South Wailua [owned by Roman Catholic Churches of Hawaii]
 14. Kaupo [owned by Department of Hawaiian Homelands]
 15. Kahikinui [owned by Department of Hawaiian Homelands]

RESULTS:

Compare the data results of Summer 2019 with data results from Summer 2016, as a means to gauging the effectiveness of the exercised Summer 2019 Visitor Safety System. Draft a report of Summer 2019 findings with recommendations for refining the Visitor Safety System as a guideline for those responsible to implement solution.

VISITOR SAFETY SYSTEM INFRASTRUCTURE	\$81,000.00 total
15 two-seater Kawasaki Mule	\$5,400.00
UNICODING AND COLUDINGNIT	*07.754.00 4 4 4 4
UNIFORMS AND EQUIPMENT	\$27,754.00 total
15 megaphones	\$1,050.00
15 iPads	\$3,360.00
14 lifeproof Cases	\$840.00
50 long sleeve t-shirts	\$1,000.00
50 short sleeve t-shirts	\$750.00
30 hats	\$300.00
28 boots	\$3,024.00
56 pants	\$6,720.00
28 safety jackets	\$2,100.00
28 CPR and Safety Training	\$1,400.00
28 Belts	\$560.00
28 Leatherman Tools	\$1,400.00
28 Weatherproof Tablets	\$224.00
28 Hydroflasks	\$1,680.00
15 First Aid Kits	\$560.00
15 Umbrellas	\$420.00
15 receptor radios	\$1,886.00
94 vinyl decals	\$471.00
OPERATIONAL SUPPLIES	\$41,600.00 total
UTV Fuel, 6 months	\$10,080.00
Equipment Maintenance, 6 months	\$3,600.00
4 Solar Electric Kits	\$8,000.00
4 Compostable Toilets	\$12,800.00
2 Dishnetwork mobile WIFI system	\$4,000.00
Monthly WIFI, 6 months	\$3,120.00
MANAGERIAL OVERSIGHT	\$220,000.00 total
Ranger Stipends, 3 months [11,200 hours at \$15/hr]	\$168,000.00
Administrator, 6 months	\$12,000.00
Public Relations Manager, 6 months	\$12,000.00
Operations Manager, 12 months	\$28,000.00
,	·

SPRING BREAK RANGER STIPENDS

HHR Visitor Safety System Study - Summer 2019

3,041 additional hours at \$15/hr

\$45,615.00 total

\$415,969.00 total

\$45,615.00

Road to Hana Visitor Safety System Study 2019 \$415,969.00 funding goal insight

The fifteen sites along the Road to Hana experiencing issues relating to over tourism; Ho'okipa, Twin Falls Huelo, Kailua, Waikamoi, Honomanu, Keanae, Waikani/ Wailuaiki, Hanawi/ Nahiku, Waianapanapa, Kaihalulu, Koki/ Hamoa, Waioka, South Wailua, Kaupo, Kahikinui.

Suggested value contributions:

COUNTY OF MAUI: \$39,452.00 total

Hookipa, Honomanu, Keanae

STATE OF HAWAII: \$64,178.00 total

Twin Falls Huelo, Kaumahina, Waianapanapa, Koki

EAST MAUI IRRIGATION [MAHI PONO / A&B]: \$113,630.00 total Kailua, Waikamoi, Waikani / Wailuaiki, Hanawi/ Nahiku, Honomanu, Keanae

HANA RANCH PARTNERS, LCC: \$39,452.00 total

Kaihalulu, Waioka

KINGDOM COME, LCC: \$39,452.00 total

Koki, Hamoa

CATHOLIC CHURCHES OF HAWAII: \$39,452.00 total

South Wailua Waterfall

DEPARTMENT OF HAWAIIAN HOMELANDS: \$39,452.00 total *Kaupo, Kahikinui*

HAWAII TOURISM AUTHORITY / MAUI VISITORS BUREAU: \$40,901.00 total Industry contribution match

Please check your email for digital invoice, and note due date of May 15th. Mahalo, <u>Admin@hanahighwayregulation.com</u>

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:42 AM

To:

EDB Committee

Subject:

Fw: Vacation Rental proposed tax increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Nicki Anderson <nickiwanderson@gmail.com>

Sent: Wednesday, April 24, 2019 2:46 PM

To: Kelly King

Subject: Vacation Rental proposed tax increase

Dear Kelly,

As a real estate broker and also an owner/resident of a short term rental on West Maui, I strongly urge you to reconsider raising the Vacation Rental Tax Rate! There are several reasons that I feel this is a terrible idea:

- 1. There are many people that own a unit and help cover their expenses by renting during the times that they are not on island. These people already pay a disproportionate amount of property tax and high AOAO fees and many are on fixed incomes as retirees. These are not units that will ever convert to long term rentals, instead you will be squeezing them into a position of financial hardship, especially with the jump in magnitude that you are considering! These owners have put a significant amount of work into managing and marketing their units to be able to be competitive, which takes years to get a following going. Their business can be wiped out by the kind of action that you are proposing.
- 2. These owners have guests that already pay a very hefty 14.41% for TAT and GET taxes in addition to booking fees by various platforms. The cost of vacationing on Maui is already out of reach for many people. Just last night we were talking to a young couple from Canada that said they have never been able to afford it until this year when a friend's relative offered a big discount (They usually go to Mexico). They absolutely loved being here and experiencing the island Aloha! These are the people that you will be pricing out of the market. Is your plan just to have the uber rich be able to afford a Maui vacation?

- 3. The Hawaii tourist industry supports the island economy in a very big way. Raising the cost of vacationing here will dampen visitors desires to spend additional money at local establishments, in addition, if there is a decrease in units being used for short term rentals the TAT and GET income to the county will suffer. The idea that you can ignore the rules of supply and demand and just blindly continue to raise taxes to increase income is a common short sightedness with government.
- 4. Many vacationers do not want a huge hotel complex, preferring a more home like environment where they can cook their meals and interact with the local population. You will be taking this option away from people, while encouraging more gigantic hotel complexes. That money is just flowing off the island into the hands of giant corporations, instead of smaller more local investors.

Don't think I don't understand the problems of work force housing. I am a part time California resident and real estate broker on the central coast and we struggle with these issues also. Thankfully we have Prop 13 which limits the increases in property tax to a set percentage. This kind of regulation might be in your future if you continue to push the property owners past the point of breaking.

Sincerely, Nicki Anderson

Associate Broker License: R(B) 22232 Chase N' Rainbows Real Estate, Inc. PO Box 10398 Lahaina, HI 96761

Mobile: 805-235-3327 Office: 808-661-7994

Email: nickiwanderson@gmail.com

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:33 AM

To:

EDB Committee

Subject:

Fw: Proposed 60% tax increase on short term rentals.

With Aloha,



Office of Council Chair Kelly T. King South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793

mauicounty.us

From: Ray Goetz <Ray@PremRents.com> Sent: Wednesday, April 24, 2019 8:25 PM

To: Kelly King

Subject: Proposed 60% tax increase on short term rentals.

Aloha Kelly King,

RE: Proposed 60% tax increase on short term rentals.

Please reconsider this. I am forced to rent so that one day I can retire in my condo there. I know most who rent are hoping for the same, that when they retire they will have a paid off condo and live in Maui their last years. You may take that dream away from many (3)

My taxes are already almost \$24,000 per year. Yes on one single condo! That's crazy already!!! An you are considering raising them even more I have one condo that is rented by Destination Resorts Hawaii. Although mine is rented the most, I still lose a fair amount of money every year. They charge 35% which covers quite a variety of employees. Everything from daily housekeeping, laundry staff, management staff, reservation staff, meet and greet at the airport staff, concierge staff, transportation staff, ongoing maintenance staff (and there is a lot of that with rentals), and the list goes on. Just like a Hotel, many employees and all local families who depend on this income! Please keep in mind that although mine is the most rented of all at Makena, I still have a substantial loss each year with the mortgages I had to take to buy it. Without the rentals, I would never be able to own on Maui and provide these jobs to so many people.

That said, I know other longer term owners whose units are not rented as often and they barely squeak by. Raising the property taxes will not increase rentals and only squeeze some long term owners to lose their homes. As short term rentals we already pay substantially more in property taxes than long term rentals and home owners. So I ask that you please reconsider this unfair and unjust tax on already very high property taxes that just this year went up another chunk already.

Aloha and Mahalo for your consideration! Ray Goetz 562-746-2845

From:

Kelly King

Sent:

Thursday, April 25, 2019 8:45 AM

To:

EDB Committee

Subject:

Fw: Property Tax Increase Testimony

With Aloha.



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Jackie Nelson <jbnelson5@verizon.net>
Sent: Wednesday, April 24, 2019 12:50 PM

To: Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei

Sugimura

Subject: FW: Property Tax Increase Testimony

Please consider my testimony below regarding "fair and reasonable" Maui County Tax Rates.

We are **second-home owners** in Maui and are very concerned with "proposed" tax increases on properties such as ours. We do "**not own**" a **timeshare**. It is a **condominium**, **but the county has classifed it as short term rental**. We have future plans to retire there for health reasons. It will place a huge burden on us if you decide to raise taxes in this unprescented move and tax at the higher level you are considering.

If you proceed with the burdensome tax increase, we may be forced out of our future retirement refuge. I can foresee many property owners doing the same.

We realize that a fair solution is necessary, but your proposed tax changes and increases are not fair.

Regards,

Robert Nelson

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:03 AM

To: Subject:

Fw: tax rates

EDB Committee

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Rob Pepper <flapepper@hotmail.com> Sent: Wednesday, April 24, 2019 10:27 AM

To: Kelly King
Subject: tax rates

Robert Pepper 2430 S. Kihei Rd unit 317 Kihei, HI 96753

Maui County Committee members April 24, 2019 Dear Member,

My wife and I are part time residents of Maui, owning a condominium unit at the Royal Mauian in Kihei. We love our second home and we want other people to enjoy it also when we are not there, so we do rent it out. I listened to the budget committee meeting of April 3 where the 2019 rpt tax rates were discussed. The chair presented a proposal raising the short term rental rate from \$9.28 to \$15.41, a 66% increase.

The current homeowner rate is among the lowest in the entire United States, and I don't believe you should increase our rates by 66% so you can give them another tax decrease. Everyone should pay their share, and I don't believe that when my wife and I are living in Kihei that we "take a toll on the community" or "deteriorate the quality of life" as it was suggested the visitors do.

We buy products and services from many companies in Kihei and the surrounding communities. We buy groceries, gas, hardware, appliances, furniture, auto parts, etc. We pay our share to support the local economy and preserve the environment.

We already pay more than 3 times the rate of a resident, and the proposed increase is simply unreasonable. We don't think that as part time residents we should be taxed the same as time shares.

Thank you for your work and time to make Maui the best it can be. Regards, Robert Pepper

From: Kelly King

Sent: Thursday, April 25, 2019 8:31 AM

To: EDB Committee

Subject: Fw: Strongly reject the proposal of the City Council Chair to increase the tax rate for

Short Term Rental properties to more than Hotels

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: robin tang <robinjtang@yahoo.com> Sent: Wednesday, April 24, 2019 8:43 PM

To: Kelly King

Subject: Strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to

more than Hotels

Dear City Councillors,

We/I strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals don't create jobs is completely false.

Short Term rental properties create work and jobs for many local residents in the following areas.

- Reservations staff
- Housekeepers and Housemen
- Property managers
- Concierge and Activity Salespersons
- Accountants
- Online Marketers
- Offline Marketers
- Plumbers
- Carpet Cleaning Workers
- Flood Control Workers
- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies

- Data and Technology Workers
- Painters
- Home Entertainment Professionals
- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- · Pool Care Workers
- Electricians
- Remediation Pros

A property tax increase of approximately 60% would have a significant impact to an owner. As an owner of the Short Term Rental I would have pass along that significant increase to my guests which in turn will have a negative impact on the many visitors that would otherwise stay in short term rentals. If short term rental rates increase visitors that choice to stay in short term rentals will be priced out of the market. They will choose to stay on other islands and or visit other places then Maui. Therefore having a significantly negative impact to the visitor revenue that contributes to the thriving Maui economy.

Please abandon this proposal that will ultimately have a very negative affect on everyone that enjoys Maui.

Sincerely, Concerned Short Term Rental Owner Robin Tang

From: Kelly King

Sent: Thursday, April 25, 2019 10:24 AM

To: EDB Committee

Subject: Fw: Proposed Tax Increase for Short Term Rentals

Attachments: Tax Increase ltr.pdf

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: roger@emmett.com <roger@emmett.com>

Sent: Thursday, April 25, 2019 9:41 AM

To: Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Proposed Tax Increase for Short Term Rentals

Please see the attached letter from me regarding the proposed tax rate increase for short term rentals.

Thank you.

Roger Emmett

Tel.: (510) 797-3543

roger@emmett.com

ROGER A. EMMETT 39 CALIFORNIA AVENUE SUITE #207 PLEASANTON, CA 94566 TEL.: (510) 797-3543

April 25, 2019

Council Chamber and Councilmember Offices 200 S. High Street Wailuku, Hawaii 96793

Attn: Committee Chair Keani Rawlins & Council Members

My name is Roger Emmett and I am an owner of a condo at the Kahana Outrigger and a part-time resident of Maui who is very concerned about the proposed 66% increase in the tax rate for short term rentals.

Please consider what is a fair and reasonable tax rate as such a large increase certainly is not.

We enjoy our second home very much approximately 12 - 16 weeks a year and rent it out when we are not using it to help us afford to pay the costs to own it.

I first fell in love with Maui when I arrived for the first time in 1977. It is my goal to continue to use this unit even more as I reach retirement age and share this experience with my children and future grandchildren.

This is not a for profit investment, but an investment in my family.

Thank you.

Roger Emmett

Kahana Outrigger Tax ltr.doc

From: Kelly King

Sent: Thursday, April 25, 2019 9:03 AM

To: **EDB** Committee

Subject: Fw: Proposal for Property taxes

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Roger MacArthur < rogerwailea@gmail.com>

Sent: Wednesday, April 24, 2019 10:33 AM

To: Kelly King; Keani N. Rawlins; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Proposal for Property taxes

Kindly review my letter supporting my strong opposition to proposed property tax increases. Roger MacArthur

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:42 AM

To:

EDB Committee

Subject:

Fw: Fwd: Proposed property tax

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: rosemaryaznv@yahoo.com <rosemaryaznv@yahoo.com>

Sent: Wednesday, April 24, 2019 8:38 AM

To: Kelly King

Subject: Fw: Fwd: Proposed property tax

Sent from Yahoo Mail for iPad

On Tuesday, April 23, 2019, 3:55 PM, Rosemary Urquhart <rosemaryaznv@yahoo.com> wrote:

This is the copy of the letter I wrote in 2918. Please read - pertains to 2019 proposed increase. Rosemary Urquhart

Sent from Yahoo Mail for iPad

On Tuesday, April 23, 2019, 3:50 PM, Rosemary Urquhart <rosemaryaznv@yahoo.com> wrote:

Sent from Yahoo Mail for iPad

On Saturday, April 21, 2018, 12:59 PM, Rosemary Urquhart <rosemaryaznv@yahoo.com> wrote:

Sent from my iPad

Begin forwarded message:

From: Rosemary Urquhart < rosemaryaznv@yahoo.com>

Date: April 21, 2018 at 12:50:33 PM MST

To: Budget.office@co.maui.hi.usSubject: Proposed property tax

Attn. Budget Director Sandy Baz

I am protesting the proposed budget increase for non-resident owners.
This is outrageous.

I am a partner in a condo at Makena Surf. My late husband & I bought this in 1985 and before that owned property on Maui. I was widowed

in 2013 and shortly after there was an extremely large tax increase. After

I was widowed I was advised to change my half ownership name to an

LLC for my protection which was done through a Maui attorney. It is

now listed as Black Pearl Investments, LLC. I obviously chose a foolish

name as it is far from being much of an investment with such tax expenses.

Through the years I have enjoyed my relationship with Maui & being able

to visit each year but now with a proposed tax increase like this you are

obviously trying to stop non-residents from any ownership.

I feel a 50% tax increase for non-resident owners on an already very

highly taxed property is unethical and discriminatory!

Rosemary Urquhart Partner Unit G303 - Makena Surf, Maui

480-365-8676 rosemaryaznv@yahoo.com

Sent from my iPad

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:43 AM

To:

EDB Committee

Subject:

Fw: Tax Proposal

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: rosemaryaznv@yahoo.com <rosemaryaznv@yahoo.com>

Sent: Wednesday, April 24, 2019 8:13 AM

To: Kelly King

Subject: Fw: Tax Proposal

Sent from Yahoo Mail for iPad

Begin forwarded message:

On Tuesday, April 23, 2019, 4:09 PM, rosemaryaznv@yahoo.com wrote:

Sent from Yahoo Mail for iPad

Begin forwarded message:

On Tuesday, April 23, 2019, 3:02 PM, rosemaryaznv@yahoo.com wrote:

Last year you proposed a 50% tax increase for non resident owners (which fortunately did not go through) & this year I understand you're proposing a 60% increase for non resident owners which is even more outrageous. This is already an extremely highly

taxed property and to propose this for non resident owners is unethical & discriminatory.

I am forwarding the letter I wrote last year which of course still applies.

Rosemary Urquhart (Unit G303 - Makena Surf)
rosemaryaznv@yahoo.com

Sent from Yahoo Mail for iPad

From: Richard Obley < Richard.Obley@aqua-aston.com>

Sent: Thursday, April 25, 2019 8:33 AM

To: EDB Committee

Subject: Team Members Testimony

Attachments: Testimony8.pdf; Testimony7.pdf; Testimony6.pdf; Testimony5.pdf; Testimony4.pdf;

Testimony3.pdf; Testimony2.pdf; Testimony1.pdf; Testimony.pdf

Aloha,

On behalf of several of our team members, please find their letters of support for continued funding of the Maui Visitors Bureau attached herewith.

Mahalo, Scott

Scott Obley

general manager

Aston at The Whaler on Kaanapali Beach

2481 Kaanapali Parkway, Lahaina, Maui, Hawaii 96761 ph: 808.661.6001 | fax: 808.661.8315 | cell: 808.633.3175 e-mail: scott.obley@aqua-aston.com | www.aqua-aston.com Aston Hotels & Resorts is a division of Aqua-Aston Hospitality

https://www.youtube.com/watch?v=ilVbAS9NVWM&t=9s

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Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Pat Magallanes. I am a Guest Service Agent with Aston at The Whaler on Ka'anapali Beach, and have been for the past 2 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

If Maui is not out in the forefront marketing our resorts and special events, there are many other destinations that are more than happy to take our share of the visitors. Once we lose visitors, it takes time and money to build up visitor arrivals back to a level we need to maintain our way of life here on Maui. We want the type of visitors MVB targets because they are the visitors who stay in our resort areas, rather than the illegal vacation rentals taking over our neighborhoods.

I remember when 9/11 and the recession in 2008 occurred. It was a struggle during 9/11 and as well as during the recession.... times were tough for many families. Please don't let this happen again, please support MVB's proposed 2020 budget.

Mahalo

Patrici Magallanes

Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

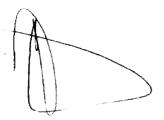
Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Dexter Ganoot. I am a Guest Service Agent with Aston at The Whaler on Ka'anapali Beach, and have been for the past 3 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

If Maui is not out in the forefront marketing our resorts and special events, there are many other destinations that are more than happy to take our share of the visitors. Once we lose visitors, it takes time and money to build up visitor arrivals back to a level we need to maintain our way of life here on Maui. We want the type of visitors MVB targets because they are the visitors who stay in our resort areas, rather than the illegal vacation rentals taking over our neighborhoods.

I remember when 9/11 and the recession in 2008 occurred. It was a struggle during 9/11 and as well as during the recession.... times were tough for many families. Please don't let this happen again, please support MVB's proposed 2020 budget.



Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Anna Lefai. I am an Accounting Specialist with Aston at The Whaler on Ka'anapali Beach, and have been for the past 17 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

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Mahalo

Intella

Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Emy Tomogsoc. I am a Guest Service Agent with Aston at The Whaler on Ka'anapali Beach, and have been for the past 19 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

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424.2019

Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Miriam Ramos. I am a Guest Service Agent with Aston at The Whaler on Ka'anapali Beach, and have been for the past 3 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

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Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Gina Malacas. I am a Guest Service Supervisor with Aston at The Whaler on Ka'anapali Beach, and have been for the past 34 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

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I remember when 9/11 and the recession in 2008 occurred. It was a struggle during 9/11 and as well as during the recession.... times were tough for many families. Please don't let this happen again, please support MVB's proposed 2020 budget.

Mahalo

CAN MALCONS

Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

to UB

My name is Fred Burgart. I am a Bell Captain with Aston at The Whaler on Ka'anapali Beach, and have been for the past 34 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

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Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Marissa Maddela. I am a Guest Service Agent with Aston at The Whaler on Ka'anapali Beach, and have been for the past 11 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

If Maui is not out in the forefront marketing our resorts and special events, there are many other destinations that are more than happy to take our share of the visitors. Once we lose visitors, it takes time and money to build up visitor arrivals back to a level we need to maintain our way of life here on Maui. We want the type of visitors MVB targets because they are the visitors who stay in our resort areas, rather than the illegal vacation rentals taking over our neighborhoods.

I remember when 9/11 and the recession in 2008 occurred. It was a struggle during 9/11 and as well as during the recession.... times were tough for many families. Please don't let this happen again, please support MVB's proposed 2020 budget.

Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Rebecca Kaneapua Alexander . I am a Guest Service Agent with Aston at The Whaler on Ka'anapali Beach, and have been for the past 35 years. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors, I see the importance it has on our community. It is the key to the financial well-being of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I have a large family that depends on me to feed and clothe them.

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I remember when 9/11 and the recession in 2008 occurred. It was a struggle during 9/11 and as well as during the recession.... times were tough for many families. Please don't let this happen again, please support MVB's proposed 2020 budget.

From: Kelly King

Sent: Thursday, April 25, 2019 8:44 AM

To: EDB Committee **Subject:** Fw: Tax measure

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Sheron Golden <sherong@dgmllc.com> Sent: Wednesday, April 24, 2019 1:36 PM

To: Kelly King

Subject: Tax measure

Dear Kelly,

As a rental unit owner I feel the tax raise proposed is VERY out of line. Maui county keeps accruing higher taxes so they will soon lose vacationers and tourism will decline. I believe that is a major income for the county. Please DO NOT vote this increase in.

Thank you, Sheron Golden

Sent from my iPhone

From:

Shyla Tam <shyla@crhmaui.com>

Sent:

Thursday, April 25, 2019 8:24 AM

To: Subject: EDB Committee MVB testimony

Attachments:

MVB Testimony 2.docx

Aloha,

Attached is my testimony.

Mahalo,

Shyla Tam | Assistant Reservations Manager/ OTA & Partner Operations

Condominium Rentals Hawaii | 362 Huku Li¹i Place, #204, Kihei, Maui, Hawaii 96753 Tel 808-879-2778 ext. 222 or 800-367-5242 ext. 222 | Fax 808-879-7825 | Email <u>Shyla@crhmaui.com</u>

Website | Facebook | Owners

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Budget & Finance Committee Chair 200 S. High Street Wailuku, HI 96793

RE: Maui Visitors Bureau

Aloha Chair Keani Rawlins- Fernandez Aloha Council Members

My name is Shyla Tam. I am an Assistant Reservations Manager at Condominium Rentals Hawaii and have been for the past year. I started at this company as a Reservations Agent and been able to find success here. I am writing in support of MVB's proposed 2020 budget.

Having to depend on visitors I see the importance it has on our community. It is the key to the financial wellbeing of Maui as it is currently the only economic driver for our county. There are many, not just my family, whose livelihoods directly or indirectly are impacted and dependent upon a successful visitor industry. I currently live with family and we are a family of 4. My father's livelihood is also majorly affected as he is a journey man mason. A lot of the available jobs have to do with the visitors to the Islands.

If Maui is not out in the forefront there are many other destinations that more than happy to take our share of the visitors. Once we lose visitors, it takes a while to build up visitor arrivals back to a level we need to maintain our way of life here on Maui.

Although I was in school when 9/11 and the recession in 2008 occurred, I know it was a struggle.... times were tough for many families. Please don't let this happen again, please support MVB's proposed 2020 budget.

Mahalo,

Shyla Tam

From: Kelly King

Sent: Thursday, April 25, 2019 9:36 AM

To: EDB Committee

Subject: Fw: City Council Proposed Property tax increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku Hl 96793

mauicounty.us

From: Stacey Clark <Stacey.Clark@hsc.utah.edu>

Sent: Thursday, April 25, 2019 9:32 AM

To: Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei

Sugimura

Subject: City Council Proposed Property tax increase

Dear City Councillors,

We/I strongly reject the proposal of the City Council Chair to increase the tax rate for Short Term Rental properties to more than Hotels. To rationalize the increase by stating that Short Term Rentals don't create jobs is completely false.

Short Term rental properties create work and jobs for many local residents in the following areas.

- Reservations staff
- Housekeepers and Housemen
- Property managers
- Concierge and Activity Salespersons
- Accountants
- Online Marketers
- Offline Marketers
- Plumbers
- Carpet Cleaning Workers
- Flood Control Workers

- Glass Repair and Installation Companies Professionals
- Blind Repair and Installation Companies
- Data and Technology Workers
- Painters
- Home Entertainment Professionals
- Dry Cleaning and Professional Washing Workers
- General Handymen
- General Contractors
- Tile Installers
- Woodworkers
- Security Professional Workers
- Landscapers
- Pool Care Workers
- Electricians
- Remediation Pros

A property tax increase of approximately 60% would have a significant impact to an owner. As an owner of the Short Term Rental I would have pass along that significant increase to my guests which in turn will have a negative impact on the many visitors that would otherwise stay in short term rentals. If short term rental rates increase visitors that choice to stay in short term rentals will be priced out of the market. They will choose to stay on other islands and or visit other places then Maui. Therefore having a significantly negative impact to the visitor revenue that contributes to the thriving Maui economy.

Please abandon this proposal that will ultimately have a very negative affect on everyone that enjoys Maui.

Sincerely,

Stacey Clark Sharon Rose Sidne Jones

From:

Kelly King

Sent:

Thursday, April 25, 2019 9:36 AM

To:

EDB Committee

Subject:

Fw: Testimony to NOT tax BioDiesel

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th FI

Wailuku HI 96793 mauicounty.us

From: Steve Goldsmith < stevegoldsmith 77@gmail.com>

Sent: Thursday, April 25, 2019 8:54 AM

To: Kelly King; Keani N. Rawlins; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M.

Sinenci; Yukilei Sugimura

Subject: Testimony to NOT tax BioDiesel

Dear County Commissioners,

I respectfully request that you do NOT tax biodiesel here on Maui.

Although we are expecting and hoping that ICE (Internal Combustion Engine) cars will be replaced by EV's (Electrical Vehicles) soon here on Maui, the consensus is that the diesel engine will be around for a long time due to its industrial, personal, and marine use, and the longevity (long useful engine life life) of the diesel engine.

It makes sense, from a sustainable perspective, to do everything possible to keep biodiesel around rather than just normal diesel fuel. My understanding is that if you tax biodiesel, the negative economic impact would cause the Kahului pump station to shut down.

Some of my neighbors have suggested that some council members have raised this as some sort of political retaliation on council chair Kelly King. I have told them that our council would only vote in the best interests of its citizens and our environment.

Thank you for your consideration. Keep up the good work!

Aloha, Steve Stephen E. Goldsmith 44 Kanani Rd #3-304 Kihei, HI 96753 808-879-7576 Home 808-283-3166 Cell SteveGoldsmith77@gmail.com

From: Kelly King

Sent: Thursday, April 25, 2019 8:36 AM

To: EDB Committee

Subject: Fw: Testimony Opposing Proposed Increase in Hotel & Resort Real Property Tax rates

With Aloha.



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th Fl

Wailuku HI 96793 mauicounty.us

From: Stephen West <stephenwwest@icloud.com>

Sent: Wednesday, April 24, 2019 6:15 PM

To: County Clerk
Cc: Kelly King

Subject: Testimony Opposing Proposed Increase in Hotel & Resort Real Property Tax rates

Kelly T. King, Council Chair Keani Rawlins-Fernandez, Council Vice-chair & EDB Chair Council of the County of Maui

Stephen W West 184 Namauu Pl Kihei, HI 96753 8088566687

Monday, April 22, 2019

Testimony Opposing Proposed Increase in Hotel & Resort Real Property Tax rates

Aloha Council Chair Kelly King, Vice-chair Keani Rawlins-Fernandez, and Councilmembers of the County of Maui. Mahalo for the opportunity to express my strong opposition to the proposed increase in the hotel and resort real property tax rate.

I have worked in hotels for 36 years and currently work at the Grand Wailea in the banquet department for the last 23 years. Working in the hospitality industry has allowed me to provide a good life for my ohana and myself, an honest day's work, and the ability to be a part of something bigger than myself. Knowing that I work at a place that gives back to the community, supports its employees, and is a good steward of the 'āina is very important to me.

I am writing today to express my concern that this big increase in the tax rate will affect my property's ability to do these things. A big increase in taxes the cost will make it even more expensive business in Hawaii is expensive. I speak with visitors all the time who talk about how expensive it is to travel here and how there are cheaper places closer to home that they could visit.

I get to see firsthand the work my property does in helping the larger Maui community. I see it when we host local Maui nonprofits and charities for free, when we raise big money for the Maui Charity Walk, when we help out a coworker going through hardship like having their house burn down, and when we donate our time, room nights and other things to everyone's silent auctions and fundraisers. Itis part of what we love to do, helping our community, and I am worried that if we keep on making it more expensive to do business here that this kind of help will be harder to justify and give.

It is my humble request and hope that the County Council will oppose this tax rate increase so we can continue to do more than just fill the hotel, but continue to donate our time and resources to helping those less fortunate and those who need it.

Mahalo,

Stephen West

Sent from my iPhone

From: Kelly King

Sent: Thursday, April 25, 2019 8:44 AM

To: EDB Committee

Subject: Fw: Proposed Tax Increase

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108

200 South High Street, 7th FI Wailuku HI 96793

mauicounty.us

From: Tim Stice <timstice@hawaiilife.com> Sent: Wednesday, April 24, 2019 1:11 PM

To: Kelly King

Subject: Proposed Tax Increase

Aloha County Council Chair King,

I am writing you out of concern about the proposed property tax increase.

To begin I would like to give a little background to my journey from being a tenant to owning a home:

My wife and I just purchased our first home (huge goal and accomplishment.) We were able to do this because we downsized and rented a 450sqft studio for 5+ years and saved up for a down payment. This meant eating at home, not buying new cars or material possessions, and being smart about where we put our money. To be honest, the house we bought is in horrible shape and needs a ton of work, we spend nights and weekends doing what we can (not to mention we have a 12 week old at home), but it's ours, we earned it.

That being said, I feel that there is a recent push to make others pay for what we want or need. My wife works at a bakery and coffee shop in Pauwela and I work as a real estate broker. In my line of work, it is extremely hard to see residents pay more in rent than they would for a mortgage. There is a shortage of rentals on Maui, but I don't think that's because there are not enough homes, I think it's because people have trouble moving out of the rental market into owning their own homes. I think what we need to do is help each other make the right choices to put ourselves in the best position for homeownership.

If this goes through what we are going to see are owners of said vacation rentals passing that cost onto renters. Whether or not these consumers are tourists on vacation would be another question, but for example, let's say that they are. If the new tax increase goes as planned and you move 200 units (which I don't 't believe it will, but for an example, we can go with that) from short term to long term rentals. Here's what I see, I see cleaners, landscapers, greeters, etc lose a significant amount of their income, I see the property managers, interior designers, photographers, videographers and whoever else helped market those homes for rent lose their income, lose clients and customers. Do we think this will help them pay their rent or save up for a down payment? What we need is a mechanism for first time home buyers to get assistance on saving up for that down payment. If they move out of that rental into their own home that frees up that rental for the next tenant.

Secondly, I see the thousands of tourists that would have come here and spent thousands of dollars on island supporting local businesses and stores take their family elsewhere. Somewhere they don't depend on tourists to not only spend their money to support local residents, but also spend their money to take care of the basic necessities that the community itself should support. I agree tourist put stress on our island and lifestyle, they drive cars on our roads, use our parks, use our public transportation and facilities, but does that mean they need to pay 3 times what we pay for those services? I don't think that any Maui resident would appreciate being treated that way on vacation.

Another issue would be the owner of said STVR themselves. I think we are treading on thin ice when we impose massive tax increases on owners that cannot even control who is elected into county positions. I think that's why they are so easily targeted in the first place.

To wrap up, I know that we are all scrambling to find the best solutions for our housing needs. I also understand that not everyone is ready to go out and buy a home right now or in the near future, but helping people transition from renting to owning is the most positive first step I can think of. I would love to see my son and his future friends and family grow up on Maui and someday own their own home as well. I spend a lot of my time at the Realtors Association of Maui working on this, not to mention grassroots meetings with you folks.

Please reconsider this idea, I think there are better ways to create housing on Maui and I would love to explore them further with you.

Sincerely,

Tim Stice

Tim Stice, R(B) 21556 Hawaii Life Real Estate Brokers timstice@hawaiilife.com

808.268.8511

From: Kelly King

Sent: Thursday, April 25, 2019 8:33 AM

To: EDB Committee

Subject: Fw: Testimony - Molokai District Budget

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Kumu Uluhani Waialeale <kumuuluhani@gmail.com>

Sent: Wednesday, April 24, 2019 8:41 PM

To: Kelly King; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci;

Yukulei.Sugimura@mauicounty.us

Subject: Testimony - Molokai District Budget

Aloha mai!

My name is Uluhani Waialeale & I am from Molokai. I have listed the projects I am in support of as well as the projects I oppose. Mahalo nui loa for taking the time to read my testimony.

Molokai District Budget

SUPPORT

\$500K Climate Change Plan
Wastewater temporary position
Two additional positions for PW/Dept of Env Mgmt
Proposed property tax rates
Police Station Relocation
Mobile Diesel fuel tank

CONDITIONAL SUPPORT

Puko'o Fire Station - Need Community Meeting and Community Support First

OPPOSE

Mitchell Pau'ole Parking Expansion

'O wau iho nō me ka ha'aha'a,

Uluhani Waialeale

From: Kelly King

Sent: Thursday, April 25, 2019 8:43 AM

To: EDB Committee

Subject: Fw: Third Saturday Recycling

With Aloha,



Office of Council Chair Kelly T. King

South Maui Residency Office: 808.270.7108 200 South High Street, 7th Fl Wailuku HI 96793 mauicounty.us

From: Wesley Mcafee <mickeyonmaui@aol.com>

Sent: Wednesday, April 24, 2019 2:42 PM

To: Kelly King

Subject: Third Saturday Recycling

Please fund Third Saturday Recycling every month. I use it. We need it.

Wesley McAfee

Lahaina

Sent from my iPad

From:

Winston Chinn < manakai73@aol.com>

Sent:

Thursday, April 25, 2019 11:37 AM

To:

EDB Committee Sherry Duong

Cc: Subject:

More Employee Letters In Support of MVB Funding

Attachments:

MKM Employees Council letter II.pdf

Aloha,

Attached are 12 letters from our employees in support of the funding for Maui Visitors Bureau FY 2020.

Winston Chinn General Manager



April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, Hi 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Darlene Tavares. I am an employee for the Mana Kai Maui and have been for the past thirty two years. I am writing in support of the Maui Visitors Bureau's proposed FY 2020 budget.

Being a part of the visitor industry, I hear a lot about the Transient Accommodations Tax (TAT). I would suggest that perhaps, instead of the TAT just being part of the general fund, that it be listed as a separate revenue item. The County receives approximately \$23 million from TAT, and I feel that because it is a tax generated by visitors, it should be used to fund your concerns about infrastructure and other areas. In doing so, you can continue to fund the Maui Visitors Bureau, which is doing an excellent job.

I would greatly appreciate your consideration of Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo, Ourline Cofamus



April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, Hi 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Ana Vena. I am an employee for the Mana Kai Maui and have been for the past 25 years. I am writing in support of the Maui Visitors Bureau's proposed FY 2020 budget.

Being a part of the visitor industry, I hear a lot about the Transient Accommodations Tax (TAT). I would suggest that perhaps, instead of the TAT just being part of the general fund, that it be listed as a separate revenue item. The County receives approximately \$23 million from TAT, and I feel that because it is a tax generated by visitors, it should be used to fund your concerns about infrastructure and other areas. In doing so, you can continue to fund the Maui Visitors Bureau, which is doing an excellent job.

I would greatly appreciate your consideration of Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Ana Vera



April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, Hi 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Juanita Tolentino. I am an employee for the Mana Kai Maui and have been for the past 21 years. I am writing in support of the Maui Visitors Bureau's proposed FY 2020 budget.

Being a part of the visitor industry, I hear a lot about the Transient Accommodations Tax (TAT). I would suggest that perhaps, instead of the TAT just being part of the general fund, that it be listed as a separate revenue item. The County receives approximately \$23 million from TAT, and I feel that because it is a tax generated by visitors, it should be used to fund your concerns about infrastructure and other areas. In doing so, you can continue to fund the Maui Visitors Bureau, which is doing an excellent job.

I would greatly appreciate your consideration of Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo, Queanuta Vilentino



April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, Hi 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Arlene Agustin. I am an employee for the Mana Kai Maui and have been for the past 21 years. I am writing in support of the Maui Visitors Bureau's proposed FY 2020 budget.

Being a part of the visitor industry, I hear a lot about the Transient Accommodations Tax (TAT). I would suggest that perhaps, instead of the TAT just being part of the general fund, that it be listed as a separate revenue item. The County receives approximately \$23 million from TAT, and I feel that because it is a tax generated by visitors, it should be used to fund your concerns about infrastructure and other areas. In doing so, you can continue to fund the Maui Visitors Bureau, which is doing an excellent job.

I would greatly appreciate your consideration of Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo, Sofene L. Agressia



April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, Hi 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Cresencia Corpuz. I am an employee for the Mana Kai Maui and have been for the past 20 years. I am writing in support of the Maui Visitors Bureau's proposed FY 2020 budget.

Being a part of the visitor industry, I hear a lot about the Transient Accommodations Tax (TAT). I would suggest that perhaps, instead of the TAT just being part of the general fund, that it be listed as a separate revenue item. The County receives approximately \$23 million from TAT, and I feel that because it is a tax generated by visitors, it should be used to fund your concerns about infrastructure and other areas. In doing so, you can continue to fund the Maui Visitors Bureau, which is doing an excellent job.

I would greatly appreciate your consideration of Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo, Cresencia P. Conpuz



April 24, 2019

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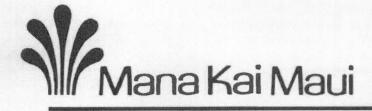
Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Feliben Dagulo. I am an employee at Mana Kai Maui and have been there for the past 20 years. I am writing in support of the proposed FY 2020 budget for the Maui Visitors Bureau.

Without these visitors, my hours could possibly be reduced and ultimately, I could lose my job. My family depends on me to provide for them not only here on Maui, but also back in my home country, the Philippines. We all work hard in order to support our families both on island and from afar, and I, myself, depend on the visitor industry to support my family of six.

Please, I implore you to support Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo, Soliban Dagulo



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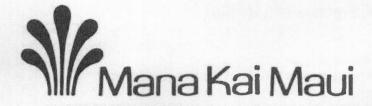
Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Tirso Prones. I am an employee at Mana Kai Maui and have been there for the past 20 years. I am writing in support of the proposed FY 2020 budget for the Maui Visitors Bureau.

Without these visitors, my hours could possibly be reduced and ultimately, I could lose my job. My family depends on me to provide for them not only here on Maui, but also back in my home country, the Philippines. We all work hard in order to support our families both on island and from afar, and I, myself, depend on the visitor industry to support my family of five.

Please, I implore you to support Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Horse Prone



April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, HI 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Helena Rasos. I am an employee at Mana Kai Maui and have been there for the past 16 years. I am writing in support of the proposed FY 2020 budget for the Maui Visitors Bureau.

Without these visitors, my hours could possibly be reduced and ultimately, I could lose my job. My family depends on me to provide for them not only here on Maui, but also back in my home country, the Philippines. We all work hard in order to support our families both on island and from afar, and I, myself, depend on the visitor industry to support my family of four.

Please, I implore you to support Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo,

Helena Rasos



April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, HI 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Mario Tabin. I am an employee at Mana Kai Maui and have been there for the past 13 years. I am writing in support of the proposed FY 2020 budget for the Maui Visitors Bureau.

Without these visitors, my hours could possibly be reduced and ultimately, I could lose my job. My family depends on me to provide for them not only here on Maui, but also back in my home country, the Philippines. We all work hard in order to support our families both on island and from afar, and I, myself, depend on the visitor industry to support my family of four.

Please, I implore you to support Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo,

Marlo Tabin



April 24, 2019

Economic Development and Budget Committee 200 S. High Street Wailuku, HI 96793

Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Lorna Rabino. I am an employee at Mana Kai Maui and have been there for the past 5 years. I am writing in support of the proposed FY 2020 budget for the Maui Visitors Bureau.

Without these visitors, my hours could possibly be reduced and ultimately, I could lose my job. My family depends on me to provide for them not only here on Maui, but also back in my home country, the Philippines. We all work hard in order to support our families both on island and from afar, and I, myself, depend on the visitor industry to support my family of four.

Please, I implore you to support Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo, Bakano



April 24, 2019

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Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Rogelio Manuel. I am an employee at Mana Kai Maui and have been there for the past 9 years. I am writing in support of the proposed FY 2020 budget for the Maui Visitors Bureau.

Without these visitors, my hours could possibly be reduced and ultimately, I could lose my job. My family depends on me to provide for them not only here on Maui, but also back in my home country, the Philippines. We all work hard in order to support our families both on island and from afar, and I, myself, depend on the visitor industry to support my family of five.

Please, I implore you to support Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.



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Attention: Budget Chair and Council Members

RE: Funding for Maui Visitors Bureau

Aloha Chair Keani Rawlins-Fernandez Aloha Council Members

My name is Luzviminda Ped. I am an employee at Mana Kai Maui and have been there for the past 2 years. I am writing in support of the proposed FY 2020 budget for the Maui Visitors Bureau.

Without these visitors, my hours could possibly be reduced and ultimately, I could lose my job. My family depends on me to provide for them not only here on Maui, but also back in my home country, the Philippines. We all work hard in order to support our families both on island and from afar, and I, myself, depend on the visitor industry to support my family of four.

Please, I implore you to support Maui Visitors Bureau's proposed FY 2020 budget of \$4 million.

Mahalo,

JA Red