

BF Committee

From: scorpio2k@yahoo.com
Sent: Thursday, April 19, 2018 3:20 PM
To: BF Committee
Subject: BF-1

Aloha,

I am writing to let you know I do not support the proposed heavy tax on Biodiesel. We need to encourage biodiesel production, not punish those producing renewable, non fossil fuels!

Please do the pono thing, the malama aina thing and show that you want Maui to be as clean as possible.

Mahalo,

Aaron

BF Committee

From: Brandon Jones <jitterjones@gmail.com>
Sent: Thursday, April 19, 2018 4:52 AM
To: BF Committee
Subject: MCAPP in the Budget

Aloha Maui County Council,

My name is Brandon Jones and I have been a full time resident of Maui County for 20 years. Until recently I was the executive director of the Molokai Arts Center, am now serving on the board of Molokai Child Abuse Prevention Pathways (MCAPP), and I am the author of an internationally bestselling novel, *All Woman and Springtime*, which explores human trafficking as its central theme. I am currently traveling off-island, but feel it is important to give testimony in support of adding a line item to the budget to fund MCAPP.

We recently had a terrifying awakening here on Molokai, one which challenged our sense of safety and informed us in no uncertain terms that we, and especially our youth, are vulnerable to the same grave dangers many of us assumed existed only in places far removed. A few weeks ago there was a flurry on social media about an Oahu teen abducted by human traffickers and held captive on Molokai. Not only was this shocking because it is unthinkable that it could ever happen here, but it also highlighted the fact that our community didn't possess even rudimentary knowledge of how to respond. Molokai is, in many ways, an ideal haven for human traffickers—our isolation and many miles of uninhabited coastline provide easy cover for anyone who would want to hold and disorient abductees. Many of you are probably unaware that Hawaii is a highly active human trafficking corridor where thousands of people annually fall victim to sexual slavery. While many victims are anonymous casualties spirited here from Asia, there are numerous cases of our own youth being targeted by scouts whose job is to lure the vulnerable and exploit them.

On Molokai we enjoy a culture of acceptance and trust, and our keiki grow up seemingly without cause to know about the dangers which afflict their counterparts in major metropolitan areas. To fail to inform them, however, will have consequences we cannot afford to live with. This is where MCAPP's role in our community is vital. MCAPP is about prevention, and prevention is largely about education. Our youth can learn the warning signs of situations that could lead them into abduction and sex slavery, but only if we invest in a vehicle to teach them. That vehicle is MCAPP. What is the dollar amount we as a community should be willing to spend if it means just one person is saved from a life of sexual slavery? What MCAPP is asking for is small by comparison.

Human trafficking awareness and prevention is only part of what MCAPP does for our community. I appreciate your time to consider all of this as you form the budget.

Mahalo nui,

Brandon Jones

BF Committee

From: Dave Wagner <dave@waileapoint.com>
Sent: Thursday, April 19, 2018 1:32 PM
To: Budget.office@co.maui.hi.us; BF Committee
Cc: Mike White; Robert Carroll; Stacy S. Crivello; Alika A. Atay; Elle Cochran; Donald S. Guzman; Kelly King; Riki Hokama; Yukilei Sugimura
Subject: Proposed 50% Real Property Tax Increase

Aloha Budget Director Sandy Baz and County Council Members -

I'm a RE broker in South Maui. I've been getting an earful from clients and neighbors about the extraordinary 50% increase in the real property tax rate for condos valued over \$1.5m that is proposed. I hope you will not approve such a thing!

I think you all know:, we already have a very socialistic property tax system. Non-resident condo owners already pay more than 220% of what residents pay (actually quite a bit more when you factor in Homeowners Exemption), and they use way fewer services.

That's OK. People get that, and most people can live with it.

And then if they put their property in vacation rental service – which is another benefit to the local economy – they get penalized a whole lot more - - then they pay 327% of what residents pay (even more after Homeowners Exemption).

This is all under **current** tax policy. They don't do this sort of thing to non-resident taxpayers in California, or Washington, or British Columbia, or any other jurisdiction that I'm aware of. Hawaii's discrimination against non-residents is already unique.

And that's OK! People get that, and most people can live with it. I'm not here to argue against the tiered real property tax system.

But now, the proposed budget specifically targets condos owned by non-residents that are valued over \$1.5m; it pushes their already high rate up another 50% over the current rate. **That's a 50% increase, in one year, for one class of taxpayers** – and it happens to be a class of taxpayers that are incredibly beneficial to the local economy! It's bad economics. We should be encouraging them to come to Maui and buy property – not punishing them and driving them away.

If you pass this, people are going to sell because of it. And other people are going to decline to buy because of it. It would give people a strong incentive NOT to own real estate on Maui. Each one of the very worthy social programs & non-profits that the County supports – and I applaud every one of them – already benefits greatly from these taxpayers. But in the long run this kind of sudden, excessive tax increase will actually hurt these programs – and all of us - because it discourages investment here. I can't imagine any economist endorsing this proposal.

Please don't approve this 50% real property tax increase! Don't kill the goose that lays the golden egg for Maui.

Thank you for your thoughtful consideration.

Aloha,

Dave (Clyde) Wagner

PS — You may also wish to keep in mind:

- o The fact that “only” 2,177 properties would be impacted by this is no justification for such a sudden & drastic increase.
- o The County doesn’t need tax *rate* increases to increase the budget. Tax revenue already increases with inflation – with no *rate* increases at all. It’s prudent to strive to ***keep tax rates stable***, so as not to cause economic uncertainty and chaos.

BF Committee

From: David Zuckerman <greenopz1@gmail.com>
Sent: Thursday, April 19, 2018 3:04 PM
To: BF Committee
Subject: Biodiesel

I would like to state my opposition to the 23 cent tax on biodiesel. In my opinion this would prove to be a disincentive to furthering the need to get off fossil fuels and would negatively impact local agricultural production as well.

David zuckerman

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BF Committee

From: Delbert D. Lewis <lewis@henningbyrne.com>
Sent: Thursday, April 19, 2018 5:00 PM
To: BF Committee; Budget.office@co.maui.hi.us
Subject: propped tax increases

Aloha County Council Members.

... an earful from clients and neighbors about the extraordinary 50% increase in the real property tax rate for condos valued over \$1.5m that is proposed.

We already have a very socialistic property tax system. Non-resident condo owners already pay more than 220% of what residents pay (actually quite a bit more when you factor in Homeowners Exemption), and they use way fewer services.

That's OK. People get that, and most people can live with it.

And then if they put their property in vacation rental service – which is another benefit to the local economy – they get penalized a whole lot more - - then they pay 327% of what residents pay (even more after Homeowners Exemption).

This is all under *current* tax policy. They don't do this sort of thing to non-resident taxpayers in California, or Washington, or British Columbia, or any other jurisdiction that we are aware of. Hawaii's discrimination against non-residents is already unique.

And that's OK! People get that, and most people can live with it. We are not against the tiered real property tax system.

But now, the proposed budget specifically targets condos owned by non-residents that are valued over \$1.5m; it pushes their already high rate up another 50% over the current rate. **That's a 50% increase, in one year,** for **one class** of taxpayers – and it happens to be a class of taxpayers that are incredibly beneficial to the local economy! It's bad economics. We should be encouraging them to come to Maui and buy property – not punishing them and driving them away.

If you pass this, people are going to sell because of it. And other people are going to decline to buy because of it. It would give people a strong incentive NOT to own real estate on Maui. Each one of the very worthy social programs & non-profits that the County supports, already benefits greatly from these taxpayers. But in the long run this kind of sudden, excessive tax increase will actually hurt these programs – and all of us - because it discourages investment here.

Please don't approve this 50% real property tax increase!

Del Lewis
Maui
lewis@henningbyrne.com

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BF Committee

From: Douglas Olds <dolds@biodiesel.com>
Sent: Thursday, April 19, 2018 7:14 PM
To: BF Committee
Subject: BF-1 testimony

To whom it may concern,

I strongly oppose the proposed 23 cent per gallon tax on biodiesel. Pacific Biodiesel supports over 100 employees across the state with excellent, good paying jobs. All biodiesel producers across the country are suffering due to the instability and partisan bickering of branches of the federal government. Please do not add salt to the wounds of our state's lone producer of renewable and sustainable fuel.

Biodiesel and Hawaii are perfect for each other given the mild climate and (until now) favorable political environment. Pacific Biodiesel has revolutionized the technology of Biodiesel production and deserves to be rewarded for the great benefit it has provided to the state and the country. By implementing this tax on biodiesel, Maui county will be working against the state's goal of 100% renewable ground transportation by 2045, a goal that the Mayor of Maui county has committed to.

The 23 cent tax on biodiesel would make a dangerously deep cut in the very thin margin of profitability of producing biodiesel here in Hawaii. Without Pacific Biodiesel, there would be no good way to dispose of the 284,000 gallons of used cooking oil and 975,000 gallons of grease trap waste produced by Maui county except into our overburdened landfills.

Please consider the these points before voting on this year's budget.

Best Wishes,

Doug Olds
Research and Development
PACIFIC BIODIESEL
O (808) 982-4749 x 1703
C (808) 936-3035
www.biodiesel.com

renewable / sustainable / community-based

BF Committee

From: Elizabeth Pinto <epinto@biodiesel.com>
Sent: Thursday, April 19, 2018 3:14 PM
To: BF Committee
Subject: ref BF-1

Aloha,

We do not need a 23 cent per gallon on-road fuel tax. We need sustainable fuel at a sustainable price. Let's work together Hawai'i.

Please note:

This proposed 23-CENT PER GALLON on-road fuel tax for biodiesel is:

- The exact SAME TAX RATE proposed for petroleum diesel and gasoline - FOSSIL FUEL!
- DOUBLE the proposed tax rate for Ethanol, Methanol and Liquefied Petroleum Gas (11.5 cents per gallon).
- Electric Vehicles are charged NO on-road tax.

Maui County would NOT be walking the talk of support for a 100% renewable Hawaii by implementing this 23-cent tax on biodiesel:

- Biodiesel is an important part of the State's renewables mix:
 - Hawaii is the FIRST state in the nation to mandate being powered by 100% renewable energy by 2045.
 - All of the State's Mayors - including Maui County's Mayor -- committed earlier this year to a shared goal of 100% renewable ground transportation by 2045.

Biodiesel provides a ripple effect of benefits for Maui County and the entire state! Biodiesel is:

- Locally made, keeping revenues in the local economy.
- 100% renewable, biodegradable and non-toxic.
- Reduces emissions by 86% compared to petroleum diesel.
- Reduces the state's reliance on imported petroleum fuel.
- Creates local jobs. Pacific Biodiesel currently has 100 employees statewide with 25 of those employees right here in Maui County.
- Supports diversified, sustainable agriculture on Maui through our company's farming operation that's growing sunflowers and other biofuel crops for FOOD and FUEL and other high value products - creating jobs in agriculture and supporting energy security AND food security in the state.
- Diverts waste oils from the Maui County landfill. Last year alone in Maui County, Pacific Biodiesel diverted 284,000 gallons of used cooking oil and 975,000 gallons of grease trap waste from the landfill, recycling this waste product for use in the production of our biodiesel.
- Saves Maui County restaurants money. Before our company began, restaurants had to pay \$1 to \$2 per gallon to have their used cooking oil properly removed and disposed of; since 2010 we have collected it at no charge. That's at least \$285,000 we saved local restaurants in 2017 alone and over \$1.5 million in the past 8 years.

Thank you for standing GREEN and CLEAN for Hawaii. Vote down the 23-cent per gallon tax hike and vote UP for renewable energy.

Lily Pinto

Office Administrator/Purchaser

PACIFIC BIODIESEL

Tel (808) 877-3144 x1712

www.biodiesel.com

renewable / sustainable / community-based

BF Committee

From: fcarey1231@gmail.com on behalf of Francesca Carey <francesca@fabmachomes.com>
Sent: Thursday, April 19, 2018 1:32 PM
To: BF Committee; County Clerk; Riki Hokama; Kelly King; Robert Carroll; Alikea A. Atay; Stacy S. Crivello; Yukilei Sugimura; Donald S. Guzman; Elle Cochran; Mike White
Subject: Francesca Carey (FABMAC Homes) Testimony
Attachments: County Council testimony 20180417.pdf

Thank you for the opportunity to speak at the Budget meeting.

Here is a copy of the written testimony.

--

Francesca Carey
President, FABMAC Homes, Inc.
808-276-2936 cell 808-244-0888 office
33 Lono Ave., Suite 310, Kahului, HI 96732
www.FabMacHomes.com
Member of the USGBC
www.usgbc.org



33 Lono Ave. Suite 310, Kahului, Maui HI 96732 • (808) 244-0888

April 19, 2018

Office of Council Services
200 South High Street
Wailuku, HI 96793

TESTIMONY FROM COUNCIL MEETING APRIL 17, 2018:

Aloha Chair and Council members,

My name is Francesca Carey, and I am the General Contractor and President of FABMAC Homes, Inc. I am asking your support for the 2018 \$1.5M Grant from the DHI IC to serve the working families of Maui County. Single family homes are important to these families, and the affordable housing fund was created to support them. The County Council's efforts to help these families stay on Maui can be realized, household by household.

These workforce houses are for the people who support our island home. They are the police, teachers, nurses, firefighters and County workers who are all helping make Maui a safer and more liveable place. The FABMAC mission is to provide the highest quality single family homes for these people.

The price range for our houses is under \$200.00/square foot. Included in the price is the engineering, stamps and plans, fabrication, shipping, trucking, assembly, foundation, skirting, flooring, solar hot water system, cabinets, fixtures, lighting, and kitchen appliances.

FABMAC Homes has been an Affordable Building Solution for single family homes in Hawaii since 2006. We now have more than 50 homes on the island in all areas. Our homes are energy efficient, low maintenance, strong, safe, and meet the Federal standards for Wind Zone III states (Hawaii and Florida).

Note: Approval for the previous Grant was given last September, and we have an agreement with West Maui Land to purchase 9 improved lots in the Waiale Elua subdivision. The final contract is in the hands of lawyers, and if all goes well, the completed house and lot packages will be ready next year.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Francesca Carey", is written over a horizontal line.

Francesca Carey, President, FABMAC General Contractor (CT-30858)

BF Committee

From: Gareth Sakakida <gareth@htahawaii.org>
Sent: Thursday, April 19, 2018 7:39 PM
To: BF Committee
Subject: Proposed biodiesel tax rate increase
Attachments: Maui biodiesel tax.pdf

Aloha Maui Budget & Finance Committee,

Please accept our testimony on the above subject in the attached document.

Mahalo,
Gareth

--

Gareth K. Sakakida
Hawaii Transportation Association
Managing Director
PO Box 30166
Honolulu, Hawaii 96820
Ph: 808-833-6628
Fax: 808-833-8486
email: gareth@htahawaii.org



April 20, 2018

**TESTIMONY BEFORE THE MAUI COUNTY COUNCIL'S
BUDGET & FINANCE COMMITTEE ON THE BIODIESEL TAX RATE
REFERENCING BF-1**

Aloha Chair Hokama and committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) with over 375 transportation related members throughout the state of Hawaii.

We understand there is a proposal to increase the fuel tax rate for biodiesel. We believe such a step is counterproductive to Mayor Arkawa's recent commitment to a fossil free State by 2045.

All alternative fuels must be utilized to achieve such a lofty goal, be it ethanol, methanol, LPG, or biodiesel. These alternatives should be treated alike to assist motorists away from fossil fuels.

Electric vehicles need to be looked at to contribute something to the county's highway fund needs. EV contributions are being considered in the State Legislature, and should be treated at least equally to the aforementioned alternate fuels.

Pacific Biodiesel's own impact assessment show a multitude of great benefits for Maui that cannot be ignored:

- Locally made, keeping revenues in the local economy.
- 100% renewable, biodegradable and non-toxic.
- Reduces emissions by 86% compared to petroleum diesel.
- Reduces the state's reliance on imported petroleum fuel.
- Creates local jobs. Pacific Biodiesel currently has 100 employees statewide with 25 of those employees right here in Maui County.
- Supports diversified, sustainable agriculture on Maui through our company's farming operation that's growing sunflowers and other biofuel crops for FOOD and FUEL and other high value products - creating jobs in agriculture and supporting energy security AND food security in the state.
- Diverts waste oils from the Maui County landfill. Last year alone in Maui County, our company diverted 284,000 gallons of used cooking oil and 975,000 gallons of grease trap waste from the landfill, recycling this waste product for use in the production of our biodiesel.
- Saves Maui County restaurants money. Before our company began, restaurants had to pay \$1 to \$2 per gallon to have their used cooking oil properly removed and disposed of; since 2010 we have collected it at no charge. That's at least \$285,000 we saved local restaurants in 2017 alone and over \$1.5 million in the past 8 years.

Mahalo.

BF Committee

From: Jack Brouillard <jcbrouillard@comcast.net>
Sent: Thursday, April 19, 2018 8:43 AM
To: BF Committee
Subject: Property Tax Proposal

I have been made aware of a proposed increase in property taxes to be assessed on non resident second home owners on Maui for properties valued above \$1.5 million. I understand how expensive it is for Maui residents who live and work on Maui to own a home and pay for normal living expenses. I support the Maui Food Bank, an organization dedicated to building affordable housing for teachers and other local workers, the Book Trust and other Maui based charities. My wife and I support local businesses in many ways which help to provide jobs for Maui residents. Our economic impact each time we are on island is substantial. I feel as though I am being singled out because I worked hard and was successful enough to own a house on the island. It rings as though we are merely users who enjoy the island but don't contribute much. I would hope you could explore other ways to meet your budget goals rather than arbitrarily raising my property taxes. Thanks.

Sent from my iPad

BF Committee

From: Jim Hirshfield <jim@millenniumventures.net>
Sent: Thursday, April 19, 2018 9:16 AM
To: BF Committee
Subject: 50% marginal tax increase on property taxes

What is wrong with our leaders? They are trying to chase away numerous small enterprises that contribute significantly to our local economy while consuming few public resources. These enterprises employ local people directly, and create further jobs by using services to maintain themselves. These are clean industries that provide little pollution or other material impact on the environment. They contribute significantly to non-profits on the island such as the Maui food bank, the MACC, etc.

These enterprises are otherwise known as high-end second residences. It makes no sense at all to raise their property taxes by 50% in many cases and give them motivation to go elsewhere, taking the benefits they provide with them.

Jim Hirshfield
Wailea

BF Committee

From: jordanservices <jordanservices@hawaii.rr.com>
Sent: Thursday, April 19, 2018 1:00 PM
To: BF Committee
Subject: Funding for Kihei Skate Rink

This is to support adding finances to replace the rusting boards and change the lifts to led at the roller hockey rink. This ace has done so much to help the youth in our community, and provides a safe place in kalama park for everyone to be.

Sent from my Verizon, Samsung Galaxy smartphone

BF Committee

From: HHT Committee
Sent: Thursday, April 19, 2018 8:44 AM
To: BF Committee
Subject: FW: Testimony in support of Tutu & Me

From: Kawika Kiili [mailto:kawika@mauisdc.com]
Sent: Thursday, April 19, 2018 8:43 AM
To: HHT Committee <HHT.Committee@mauicounty.us>
Subject: Testimony in support of Tutu & Me

Aloha,

I am writing on behalf of my family and preschool aged son in strong support of the Tutu & Me traveling preschool program. My son is fortunate enough to benefit from this twice a week program which is provided to our family at no cost. He thoroughly enjoys the program and has benefited immensely from their hands on educational approach. The program is also a great opportunity for parents, grandparents, and caregivers to network and draw stronger ties to families within our community all the while exploring what Maui County has to offer.

Please strongly consider any and all opportunities of continued support and funding for this wonderful program.

Mahalo for your time and consideration.

Kawika Kiili
Director, Software Development Center
University of Hawaii Maui College
kawika@mauisdc.com
Office: (808) 984-3626

BF Committee

From: Larry Zolezzi <lzolezzi@biodiesel.com>
Sent: Thursday, April 19, 2018 3:13 PM
To: BF Committee
Subject: BF-1

Dear Council Members

Please do not impose a fuel tax on Biodiesel sales. Fuel sales are a very price competitive business and to impose the tax will result in large users of Biodiesel switching to petroleum. This impacts the County in so many negative ways; causing more air pollution, more imports of petroleum, hurting the recycling business, hurting local business, and failing to comply with Hawaii's goals for increased use of alternative fuels.

Promoting the use of Biodiesel has positively affected the community in positive ways especially the growing of Sunflowers on Maui which is leading the way in new agriculture ventures and having a positive effect on tourism

Sincerely

Larry Zolezzi

BF Committee

From: marshall goodwin <furanku90@hotmail.com>
Sent: Thursday, April 19, 2018 7:26 PM
To: BF Committee
Subject: Biodiesel fairness

Posture Awareness Calmness Respect

Pacific Biodiesel contributes to our local well being with its reuse of local waste products that reduces threatening emissions, contributions to landfills and costs for local restaurants, reduces required imports, creates local jobs. Its contributions to the local economy must be considered against taxations. Local electric vehicles require the same roads but their contribution is inappropriately not considered. Please find fairness and measure biodiesel's contribution against its taxation.

Risk Kindness

BF Committee

From: Michele Lincoln <lincolnmichele@yahoo.com>
Sent: Thursday, April 19, 2018 1:32 PM
To: BF Committee
Subject: LWRF

Aloha, I am writing regarding the capital improvement project listed as the “West Maui Recycled Water System Expansion”.

Rather than utilizing existing pipeline, ditches and reservoirs, it appears the Department of Environmental Management is still moving forward with their plans for the recycled water tank on Pu'ukoli'i at Pu'u Hale in Ka'anapali Hillside.

There is a line item in the budget for \$500k for land acquisition. According to details from the department: “The \$500k is designated for land acquisition of the recycled water tank along Pu'ukoli'i Road. The current plan is to use the recycled water tank to distribute recycled water to the adjacent commercial properties. As the future plans or elimination of the use of injection wells as the primary disposal method is uncertain, this project will increase the use of recycled water.”

Besides the land acquisition, the tank expenses and maintenance are factors to consider with limited people that benefit from the water usage. Impurities in the recycled water may contaminate near-shore waters causing irreparable harm. Usage of treated waste-water in close proximity to the ocean is less than ideal for natural filtration. Another factor is the visual aesthetics. As the by-pass continues north, scenic view planes must be considered from various positions.

Please consider the alternative that would be more beneficial for sustainability and hope for the future. Recommissioning the reservoirs above Lahaina would allow for agriculture to be realized.

State controlled agriculture land and reservoirs are adjacent to the Lahaina-luna High School. Agriculture programs are advancing in elementary, middle, and high school education. The University of Hawaii has an annex in Lahaina that could offer agriculture and environmental studies with access to state ag-land.

Polynesians have a higher propensity for diabetes and heart disease. Eating more fresh vegetables would improve health issues related to diets. Children are having fun growing and preparing food in the new school programs. The next generation can learn to eat healthier and reduce expenses related to wellness. Providing farm produce to school cafeterias would be achievable within the district.

State funding to facilitate the development of agricultural land for educational purposes and food security is a reasonable expenditure.

Recommission reservoirs and the ditch system to irrigate large parcels of land for agriculture uses. Cultivated crops and pastures for livestock make use of the treated reclaimed water to provide food, jobs, and another source of taxable commodities. Complete dependence on tourism is putting all the eggs in one basket. Diversifying to agriculture makes sense considering the ideal climate, soil, topography and ability to grow crops all year long for taxable revenues.

Federally protected waters are at risk, seeking funding and assistance to mitigate waste-water issues are viable.

Irrigated ground cover can prevent fires and erosion along with natural filtration for a healthy eco-system. Irrigated agriculture land above Lahaina allows water to filtrate back into the aquifer to be recycled into the system. Percolating through natural filtration helps to remove impurities that can cause harm to the federally protected humpback whale marine sanctuary and coral reefs.

Due to sea level rise and shore line erosion, protecting near-shore waters to preserve the coral reef is imperative to prevent coastal hazards. Resorts in West Maui may be able to delay their inevitable demise with sea walls and sandbagging but overall protecting the coral reefs will be the best defense. Prevention of undermining the shoreline, saturating the ecosystem will help to prevent salt water intrusion into fresh water sources.

Irrigated hillsides provide beautiful scenic landscapes. Offering farm fresh exotic produce on the menu is a draw for many travelers. Resort rates for mountain-views can reflect either concrete and construction views or luscious tropical scenic vistas. Ag/eco-tourism is another source of taxable revenue for the county and state. Providing natural habitat for fish, birds and wildlife will be another blessing and an attraction for tourism.

For public well-being, utilizing reservoirs and promoting agriculture for the Lahaina Waste-water Reclamation Facility's reclaimed water is better stewardship. Considering the expensive monthly water and sewage charges for residents and the impact of tourism to the area, reclaimed water should benefit the community.

Food sustainability, employment opportunities, and preserving this beautiful paradise we call home are possible. Providing public access to the ponds will be appreciated. Restorative, walking on paths through green pastures and resting by still waters is good for the soul.

Water is the source of life. Please consider the best stewardship of our resources to protect and preserve the land and ocean for those that live here, visitors, and future generations.

Michele Lincoln

452 Aki Street

Lahaina HI 96761

(808) 667-6652 home

(808) 385-3157 cellular

BF Committee

From: Rob Francescon <RobF@centurycommunities.com>
Sent: Thursday, April 19, 2018 5:08 AM
To: BF Committee
Subject: Proposed Property Tax rate increases

Dear Committee,

As an owner of a property at Wailea Beach Villas assessed for significantly more than \$1,500,000, the 50% rate increase in property taxes seems very extreme. If enacted, this rate increase will curtail investment dollars coming into the Maui economy and in my opinion, hurt the overall economy in Maui. Please remember that the owners that would be impacted contract for many services of both goods and employees in the Maui area. This proposed tax increase will have a detrimental impact to both existing property owners and act as a detriment to potential future property owners. This proposed increase will have a counter effect on the prosperity of Maui residents. I urge you not to enact such an extreme increase in the property tax rate. A suggestion would be to enact a much smaller percentage increase over \$1,500,000. Thank you for taking the time to read this email.

Respectfully,

Robert J. Francescon
Co-Chief Executive Officer

Main: 303.770.8300



Email: RobF@centurycommunities.com

CCS
LISTED
NYSE

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www.centurycommunities.com

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BF Committee

From: Ross C Hartley <ross@hartleys.us>
Sent: Thursday, April 19, 2018 2:49 PM
To: Mike White; Robert Carroll; Stacy S. Crivello; Alike A. Atay; Elle Cochran; Donald S. Guzman; Kelly King; Riki Hokama; Yukilei Sugimura
Cc: Budget.office@co.maui.hi.us; BF Committee
Subject: Proposed 50% Real Property Tax Increase

Aloha Budget Director Sandy Baz and County Council Members -

I'm a condo owner in South Maui that lives here 5 months per year. My neighbors are talking about the extraordinary 50% increase in the real property tax rate for condos valued over \$1.5m that is proposed.

I think you all know that Non-resident condo owners already pay more than 220% of what residents pay and we use way fewer services. We have willingly accepted this discrepancy to help locals.

Some of my neighbors put their property in vacation rental service (which is a huge benefit to the local economy) then they pay 327% of the rate that residents pay. This is a very unique (around the country) discrimination against non-residents. We have willingly accepted this discrepancy to help locals.

But now, the proposed budget specifically targets condos owned by non-residents that are valued over \$1.5m; it pushes this already high rate up another 50% over the current rate. **Please reconsider this as enough is enough.**

We at this time consider ourselves a huge benefit to the economy and we are a sector that should not be encouraged to leave.

Please don't approve this 50% real property tax increase!

Aloha,

Ross C Hartley
rch@runbox.com

BF Committee

From: Sarah Ingber <sarah_ingber@yahoo.com>
Sent: Thursday, April 19, 2018 2:40 PM
To: Budget.office@co.maui.hi.us; BF Committee
Cc: Messenger@AssociationVoice.com
Subject: Property Tax Rates...Short Term Rentals

Aloha to all of you who are working on tax rates and tax fairness.

As you know, tax rates incentivize or discourage economic activity. Short term rentals bring a good deal of business and visitors to Maui, helping employment and the economy.

Most of the people who are staying in short term rental homes or condos are doing so as they want to vacation here but are unable to pay hotel rates. To increase rates even further would be to drive at least a certain percentage of owners of short term rentals out-of-business, forcing properties to be sold which would deflate the real estate market affecting jobs and profits for a number of residents and likely reduce the number of visitors who can afford vacation rentals.

Have you considered what effect raising taxes may have in reducing short term rentals and affecting the General Excise and Transient Accommodations Tax collections? If property taxes go up and are added to the current 14.25 % taxes, fewer people will be able to afford rentals. Raising property taxes will likely decrease the collections of the other taxes.

You have yet to decide a tax rate for the new short term rental category. I urge you to make no increase, or a minimal increase if you must, as property taxes already represent a substantial expense.

Owners of short term rental property would not be renting if they could afford not to rent them. Please do not increase the already significant tax burden.

Following is an interesting bit on the tax system.

Tax program explained.

<http://www.associationvoice.com>

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All the best,

Sarah Ingber
Wailea Ekolu

BF Committee

From: Scott McLean <smclean@biodiesel.com>
Sent: Thursday, April 19, 2018 2:17 PM
To: BF Committee
Subject: No Bio Diesel Tax!

To whom it may concern,

I am an employee of Pacific Biodiesel on the Big Island of Hawaii. We need to support this industry in our state. This company has given me a belief in green energy and sustainable practices. A 23 cent tax would cripple our industry and potentially cut jobs from within our company. People would be more likely to buy non biofuel diesel from some money hungry mainland company. Please consider supporting our states efforts at achieving sustainable practices towards our future goals of 2050 and 100 percent sustainability. Please don't hurt our local industry and our hard working families by implementing this 23 cent tax.

Thank you very much,

Scott McLean

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BF Committee

From: Susan E Haviland <susan@susanhaviland.com>
Sent: Thursday, April 19, 2018 9:17 PM
To: Budget.office@co.maui.hi.us; BF Committee
Cc: Mike White; Robert Carroll; Stacy S. Crivello; Alike A. Atay; Elle Cochran; Donald S. Guzman; Kelly King; Riki Hokama; Yukilei Sugimura
Subject: Proposed 50% Real Property Tax Increase

Aloha Sandy Baz (Budget Director) and City Council Members,

My husband and I are officially residents of California but spend quite a lot of time on Maui and we own several properties here. The proposed 50% real property tax increase couldn't come at a worse time. As you undoubtedly know the deductibility of property taxes from federal income tax has been severely curtailed starting in 2018. For many of us non resident owners of property on Maui this essentially means our Maui property taxes have been raised already. By quite a lot. This lack of deductibility greatly magnifies the tax increases you are considering. Although you are raising some people's taxes by 50% in some cases what they actually pay will be effectively raised by 100% or even more. All this in a single year.

If you are trying to get non resident property owners to sell up and leave, this kind of sudden tax increase may be a very good strategy. You would be creating two excellent reasons for not owning property on Maui: a) it's too expensive and b) the local government is subject to drastic and unexpected policy changes without proper study or investigation. On the other hand, if you want to generate property tax revenue to support worthy social services this is a very poor strategy and is likely to backfire. Non residents already pay higher property taxes than residents. If you chase them all out and collapse the real estate market you could easily find yourself with some serious budget shortfalls rather than the increases you are expecting.

Mahalo for your time and consideration.

Aloha,

Susan Haviland

Phone: 808-241-1111
susan@susanhaviland.com
850-704-5758

BF Committee

From: HHT Committee
Sent: Thursday, April 19, 2018 7:33 AM
To: BF Committee
Subject: FW: Written Testimony - Tutu & Me Traveling Preschool

From: Teisha Alexander [mailto:teishaa0611@gmail.com]
Sent: Wednesday, April 18, 2018 10:05 PM
To: HHT Committee <HHT.Committee@mauicounty.us>
Subject: Written Testimony - Tutu & Me Traveling Preschool

To Whom It May Concern,

Aloha, my names is Teisha Alexander and I am testifying on behalf of Tutu & Me Traveling Preschool in which both of my children attend; Cade (3) & Chason (10 months).

Our Keiki's learning environment stems from where and who they spend majority of their time with. Tutu & Me extends it's teachings out to our keiki's caregivers and offer different ways to interact and discipline. It is through modeling of behavior that we as caregivers can observe and apply those teachings not only while at Tutu & Me but while at home. Since we started attending in 2015, I have seen a huge improvement not only for Cade, but for in myself as well.

For myself, this program has allowed me to comfortably be accountable for things that I can change in the way that I deal with Cade. It taught me to better utilize positive reinforcement and spending time with him first and foremost. With technology rapidly growing in this day and age, I commend Tutu & Me for sticking to the old ways of teaching. I love how they still read a paper book instead of an iPad; how we sing and dance to songs either acapella or by ukulele; making things with our hands instead of printing them from a computer; learning about resourcefulness instead of always easily buying things, etc. Those are the things that will be most beneficial to our keiki not only in the classroom as they get older, but in the real world.

For Cade, I feel Tutu & Me has easily prepared him for transition into a 5 day a week preschool. This program allows him to fine tune the tools he already has and develop additional tools to his benefit. He learns how to interact with other keiki aside from his cousins at home. He has developed a great but diverse relationship with each teacher. He talks about his friends and teachers daily and how excited he is to go back the next time.

I recently observed one interaction with Cade and Uncle Jason (teacher). That specific interaction spoke volumes. Cade was busy playing with a toy and another keiki asked if they could play with it. Cade, as any other 3 year old would reply said, "NO!" Uncle Jason asked Cade if maybe there was a better way he could have answered that question. He suggested to Cade, "Instead of saying no, how about we tell our friend that I'm playing with it right now but you can have it when I'm done?" Cade nodded his head and agreed. I appreciated the lesson for not only Cade, but for myself. It made me realize that it's HOW we convey our message not only to our keiki but to people in general to make the biggest impact.

As for Chason, he has only begun to reap the benefits of this program. He already recognizes the songs and books that are read and sung at site when displayed at home. Because of the repetition at site, certain songs even soothe him because they are so familiar. He is extremely attentive and smiles when he hears that familiar story or tune. He observes all of the other keiki and I strongly believe that he will model the behavior too.

I wholeheartedly believe in this program and everything it has to offer from the bi-lingual teachings of Hawaiian and English; to the interaction it gives stay at home Mommy's and Daddy's to have "adult time"; to making lifelong friends with other 'Ohana and teachers; and to developing the most useful life lessons and tools in and out of the classroom. I will continue to bring my keiki and would recommend it to others as well. It would truly be a shame to ever see it go. Mahalo for your time and consideration regarding this matter.

Best Regards,
Teisha Alexander

BF Committee

From: Wessbecher Uwe <uwewessbecher@gmail.com>
Sent: Thursday, April 19, 2018 6:44 AM
To: Frank Pikrone; Budget.office@co.maui.hi.us; BF Committee
Subject: Re: Proposed Property Tax Hike
Attachments: Tiered property tax rates proposed.pdf

This tax-increase on homes over \$1.5 M is punitive. I will sell my property if this passes. I strongly object. Maui will no longer be the place with Aloha spirit.

Uwe Wessbecher
m 408-810-4685

On Apr 18, 2018, at 3:38 PM, Wailea Community Association <Messenger@AssociationVoice.com> wrote:

Aloha,

Attached is a description of the proposed property tax increase. It is always a good idea to get as many people as possible writing to the County expressing their view. Emails are included on the information. You must have your comments to them by Tuesday the 24th.

Bud

This message has been sent to uwewessbecher@gmail.com

As a subscriber of General Correspondence at Wailea Community Association, we'll periodically send you an email to help keep you informed. If you wish to discontinue receiving these types of emails, you may opt out by clicking [Safe Unsubscribe](#).

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Tiered property tax rates proposed

Mayor Alan Arakawa's budget proposes a tiered scheme for property taxes designed to increase income from second homes and investment properties, a growing trend that many say aggravates Maui County's housing crisis.

Out-of-state buyers command more than half of the county's housing market, pricing out residents, affordable-housing advocates say. The median price of a home in the county in February was \$685,000, up 1.8 percent from that month in 2017 but down from January's \$705,000.

In his budget address Friday, Arakawa said the "progressive" tiered structure is another way to pay for the projects being proposed in the \$820 million fiscal 2019 budget.

"We're doing this to protect the working-class residents who are having such a hard time out there. The group that we're planning to increase taxes for can afford to pay a little extra to help the local economy out," Arakawa said.

The proposed tiered system would affect four property tax categories: residential, apartment, agricultural and conservation. It would ease the tax burden for owners' first \$500,000 of assessed value, keep it the same for \$500,000 to \$1.5 million and increase it by 50 percent for those portions of values that rise above \$1.5 million.

The homeowner category would remain unchanged at \$2.86 per \$1,000 for the entire amount of assessed value, after the homeowner exemption. Tax rates in other categories would stay the same as well. Real property valuations are up, reflecting rising single-family home and condominium sales prices.

Tiered rate details include:

- Residential. Now at \$5.54 per \$1,000 assessed value, the tax rate would drop 25 cents, or 4.5 percent, to \$5.29 per \$1,000 for the first \$500,000 of residential value; it would remain unchanged for the portion of homes' value between \$500,000 and \$1.5 million; and rise \$2.77, or 50 percent, to \$8.31 per \$1,000 for amounts more than \$1.5 million.
- Apartment. Now at \$6.32 per \$1,000, the tax rate would fall 42 cents, or 6.6 percent, to \$5.90 per \$1,000 for the first \$500,000 of value for apartments; it would stay the same for the next \$500,000 and \$1.5 million; and go up \$3.16, or 50 percent, to \$9.48 for amounts of more than \$1.5 million.
- Agricultural. Now at \$6.01 per \$1,000, the tax rate would decline 56 cents, or 9.3 percent, to \$5.45 per \$1,000 for the first \$500,000 of agricultural properties' assessed value; it would not change for amounts between \$500,000 and \$1.5 million; and increase \$3.01, or 50.1 percent, to \$9.02 for amounts more than \$1.5 million.

- Conservation. Now at \$6.37 per \$1,000, the tax rate would drop \$3.87, or 60.8 percent, to \$2.50 per \$1,000 for the first \$500,000 in property value; it would keep the status quo for properties' value from \$500,000 and \$1.5 million; and rise \$3.19, or 50.1 percent, to \$9.56 per \$1,000 for amounts in excess of \$1.5 million.

Budget Director Sandy Baz explained that the proposed increases are not likely to impact residents who already own a home but have a second property that they rent out to others.

The values of the properties owned and rented to residents would likely fall below the \$1.5 million range where taxes will not be increased, he said.

And, many farmers would not be impacted because the land values for their properties in agriculture would not hit the highest tax category.

Out of the four categories proposed in the tier, Baz said 18,667 properties would fall in the lowest value category where tax rates would decline, and 9,447 would fall in the middle value category where rates would remain the same.

Only 2,177 properties would end up paying an increased rate for amounts above \$1.5 million if the proposal goes through, he said.

The City and County of Honolulu has a similar tiered tax rate for second homes, Baz said.

In addition, the Maui County Council will implement its initiative, approved last year, to separate short-term rental units from hotels and resorts tax classifications. A property tax rate has yet to be decided for the new short-term rentals category.

Please write your comments to:

Sandy Baz, Budget Director: Budget.office@co.maui.hi.us

Budget & Finance Committee: bf.committee@mauicounty.us

BF Committee

From: Zhiqiang Cheng <cheng241@hawaii.edu>
Sent: Thursday, April 19, 2018 9:03 PM
To: BF Committee
Subject: Testimony
Attachments: Cheng CTAHR testimony Maui.pdf

Aloha Mr. Chairman and Council Members,

I would like to use this opportunity to request your support for the full \$75,000 budget line item for UH Mānoa CTAHR on Maui. Please see my testimony attached.

Please feel free to let me know if you need additional information about my testimony.

Thank you!

Sincerely,

Zhiqiang Cheng, Ph.D.
Assistant Specialist (Turf and Landscape Pest Management)
Dept. of Plant and Environmental Protection Sciences, CTAHR
University of Hawaii at Manoa
Honolulu, HI 96822
(808) 956-6416
<http://turfgrass.ctahr.hawaii.edu/>
<http://cms.ctahr.hawaii.edu/cheng>



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MĀNOA

April 19, 2018

Request for Support of Budget Line for UH Mānoa CTAHR Maui Cooperative Extension

Aloha and thank you, Mr. Chairman and Council Members, for this opportunity to request your support for the full \$75,000 budget line item for UH Mānoa CTAHR on Maui. My name is Dr. Zhiqiang Cheng and I am an Assistant Specialist in Turfgrass and Landscape Pest Management with CTAHR at the University of Hawai'i at Manoa on Oahu.

First, I would like to thank you for your previous support of CTAHR programs in Maui County. In March, you each received a copy of CTAHR's most recent Final Report. My FY16 project, entitled, "Survey of lobate lac scale, a severe invasive pest, on Maui, Molokai, and Lanai" was a beneficiary of your Maui County funding, and I would like to provide you with a summary of the activities, results, outcomes and impacts of my program in Maui County.

Lobate lac scale (LLS), native to tropical Asia, was first discovered in Hawaii on Oahu at Moanalua Garden on weeping banyan recently in 2012. LLS infests the young woody branches or main stems of around pencil size thickness. The resinous secretion of this insect makes sooty mold on leaves and stems and gives unhealthy appearance. The major impacts on host plants are dieback of twigs and branches, thinning of foliage, and death of entire plant in some species. Other than Oahu, LLS has not been officially reported from neighbor islands in Hawaii when this project started in March 2016. However, given the frequency of inter-island transports of travelers and goods, LLS is very likely to disperse to neighbor islands in Hawaii.

In our recent survey on Oahu, we confirmed that LLS infested over 110 plant species, including many native and endangered species, as well as many valuable landscape and ornamental plant species. Early detection of this severe pest on islands in Maui County is extremely important, both environmentally and economically, given this pest's broad host range. Therefore, we started this project to survey lobate lac scale on the islands of Maui, Molokai, and Lanai. The major survey areas/sites were urban centers, highly populated areas, airports, and plant nurseries, where LLS infestation is likely to appear first and tends to be the most severe.

On Maui, we surveyed:

- Kahului Airport
- University of Hawaii Maui College campus
- CTAHR's Research and Education Demonstration Center Garden
- Hoolawa Farms
- Pukalani Plant Company
- Kihana Nursery
- Kihei urban area
- Wailea resort area
- Lahaina Town area
- Kaanapali resort area

- Kapalua area
- Wailuku Mauka Iao Valley

On Molokai, we surveyed:

- Molokai airport
- Palaau State Park
- Hoolehua
- Kaunakakai town center
- Ualapue
- Maunaloa town
- Kepuhi Beach Resort
- Papohaku Beach Park
- Wavecrest Resort

On Lanai, we surveyed:

- Lanai Airport
- Kaunalapa'u barge harbor
- Four Seasons Resort at Mānele
- Lanai City center
- Four Seasons Resort at Kō'ele
- Halulu Gulch.

During the project year, Maui was surveyed three times, and Molokai and Lanai were each surveyed twice.

Areas of confirmed LLS infestation included:

- Iao Valley area. Affected plants there were *Hibiscus* spp., *Dodonaea* spp., *Syzygium cumini*, and ohia.
- Wailuku Town Center (*Hibiscus* spp.)
- New Wailuku Heights (*Hibiscus* spp.)
- Waikapū (*Hibiscus* spp.)
- Maalaea bay area (*Hibiscus* spp.)

No LLS was detected on either Molokai or Lanai.

To disseminate these findings to key stakeholders in Maui County, we organized 2017 Maui Landscape Pest/Management Seminar & Field Day on 03/30/2017 on Maui. Introduction of LLS, distribution of LLS on Hawaiian islands, and management strategy were presented. Over 30 landscapers in Maui County attended, and 18 landscapers earned HDOA Pesticide CEUs.

This project would not have happened without the support of Maui County, since there are no other funding sources for this unique project, that was designed to specifically meet Maui County needs.

I thank you all for your support in the past, and specifically for the funds that enabled us to complete our FY16 project in Maui County.

I humbly request your support for the UH Mānoa CTAHR budget line of \$75,000 in the FY 19 budget.

Thank you!

A handwritten signature in black ink, appearing to read 'Z Cheng', with a small dot at the end.

Zhiqiang Cheng, Ph.D.
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