

**LU Committee**

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**From:** orchid6128@aol.com  
**Sent:** Tuesday, February 20, 2018 8:57 AM  
**To:** LU Committee; Elle Cochran  
**Subject:** I support LU-7 and LU-40

Aloha Land Use Committee,

I am in full **support of LU-40** for enforcement of illegal short term rentals and **LU-7** requiring a 5 year residency before applying for a short term rental permit. I intended to testify in person today, but am too sick to make it up there and certainly don't want to pass germs on to you all.

I have seen a drastic turn over in homes and condos going from residential/locals to vacation owned by off island investors here in Kihei. It destroyed the condo community in N Kihei where we used to live. It went from 90% owner/occupied to now nearly 100% vacation rental, in a time of 8 years. That's 54 units (1, 2 and 3 br) now removed from our long term rental pool or condo ownership (no one wants to sell because they're making a killing from vacation rentals). I would have to dig deeper to provide you facts, but I believe nearly all of the 54 units are owned by off-island investors.

I know of many illegal rentals - both homes and condos. It seems "everyone" is trying to cash in on this, but most painfully it's mostly off island investors who don't spend their income here and don't always share our small island values to care for one and other.

I am so thankful to see some action on this. I would be happy to volunteer my time to help in investigating or sorting through data to help eradicate illegal short term rentals. I support local, working families who may want to rent out a room in their home for extra income. However, I don't support large investment firms or off island investors who snatch up homes and condos zoned for residential or long term rental and they rent out on airbnb, homeaway, vrbo or any of those other vacation rental sites.

Disclosure: I have profited from 2 **legal** vacation rentals. One, we couldn't rent long term because all our neighbors rented to vacationers, and no one wanted to live in a constant party zone. The other, we bought as a legal vacation rental and continued to rent it for a couple years. As I saw the housing crisis unfolding (and experienced hardships in finding a home for our family when we outgrew a one bedroom condo), we sold the condos and bought a long term rental at Keonekai Villages and set the rent 20% below market and helped a family save enough money to buy a home for themselves. When I saw what vacation rentals were doing to our community, I walked away from the money. And in my situation, the condos were zoned for vacation, I had my tax licenses, and did everything by the books.

Again, I support local folks who are renting legally- as I have been there and relied on that income to support my family too.

I also feel property taxes on vacation rentals should be raised to help pay for county infrastructure improvements. Ideally, it would be nice to raise taxes on off island investors, but I'm not sure that would be constitutional.

Mahalo for the opportunity to submit my mana'o. I hope you pass both of these bills.

Deborah Mader  
Kihei, HI