

Recessed HLU Committee meeting of June 9, 2025

HOUSING AND LAND USE COMMITTEE
Amendment Summary Form

Legislation: Bill 9 (2025), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTERS 19.12, 19.32, AND 19.37 MAUI COUNTY CODE, RELATING TO TRANSIENT VACATION RENTALS IN APARTMENT DISTRICTS."

Proposer: Tasha Kama, Chair
Housing and Land Use Committee.



Description: This amendment would exempt four of the five properties identified in the Planning Director's correspondence dated May 22, 2025, which have a zoning or community plan designation that, in addition to their Apartment zoning designation, includes another designation that would allow for hotel-type uses.

Motions: Move to amend Section 4 of my proposed CD1 version of Bill 9 (2025), by amending Subsection 19.12.070(C), Maui County Code, to read as follows:

"C. Exemptions. The following are exempt from this section:

1. Validly existing time share units or time share plans.
2. Properties with a resort hotel community plan designation that are at least partially in an apartment district:
 - a. Hale Kaanapali, master tax map key (2) 4-4-006:011.
 - b. Maui Eldorado, master tax map key (2) 4-4-008:021.
3. Properties that are partially zoned apartment district and either B-R resort commercial district or a hotel district:
 - a. Wailea Ekahi I, master tax map key (2) 2-1-008:064.
 - b. Wailea Ekahi III, master tax map key (2) 2-1-008:065."

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Reasons: The Maui Planning Commission requested that the Council consider excluding properties that are community plan designated for hotel use and properties that are already partially hotel-zoned. The Planning Director responded that five properties could meet this description. One of the properties is characterized on the list as having both A-2 Apartment District and H-2 Hotel District mixed zoning. However, the Department's zoning map reflects that the property has A-2 Apartment District zoning only. Therefore, only the other four properties are proposed for exemption. This amendment responds to the Maui Planning Commission's request by applying objective criteria.

Attachment: Pages 1-3 of Planning Director's May 22, 2025, response to Committee Chair's request dated April 30, 2025, Question 1.

hlu:ltr:004aasf02:cmn/jgk

RICHARD T. BISSEN, JR.
Mayor

KATE L. K. BLYSTONE
Director

ANA LILLIS
Deputy Director



DEPARTMENT OF PLANNING
COUNTY OF MAUI
ONE MAIN PLAZA
2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HAWAI'I 96793

May 22, 2025

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawai'i 96793

APPROVED FOR TRANSMITTAL

A handwritten signature in black ink, appearing to read "Richard T. Bissen, Jr.", written over a green horizontal line. To the right of the signature, the date "5.23.25" is handwritten in black ink.
Mayor Date

For Transmittal to:

Honorable Tasha Kama, Chair
Housing and Land Use Committee
200 South High Street
Wailuku, Hawai'i 96793
via: hlu.committee@mauicounty.us

Dear Chair Kama:

**SUBJECT: BILL 9 (2025), AMENDING CHAPTERS 19.12, 19.32, AND 19.37,
MAUI COUNTY CODE, RELATING TO TRANSIENT VACATION
RENTALS IN APARTMENT DISTRICTS (HLU-4)**

Thank you for your April 30, 2025 letter requesting information pertaining to Bill 9. The following identifies your request followed by the Planning Department's (Department) response:

- 1. On page 2 of your Department's report, you note that the Maui Planning Commission requested that the Council consider excluding properties that are community plan designated for hotel use and properties that are already partially hotel-zoned.*

Could you please quantify those properties, specify which properties are affected, and provide an analysis that would enable the Committee to determine how this consideration might impact Bill 9?

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The Maui Planning Commission's discussion on this issue was focused upon the current list of "Apartment District Properties Allowed to be Used for Short-Term Occupancy" (a.k.a. "Minatoya list"), which identifies specific properties along with their respective zoning and community plan designations. While the Department updates this list from time to time, it should be noted that the list was not originally created by the Department and therefore may have some inaccuracies, which is the reason for the note at the bottom of the list indicating that the list is subject to error.

Currently, this list shows five properties that have a zoning and/or community plan designation that in addition to their Apartment zoning designation also includes another designation that would allow for hotel type uses. These five properties are as follows:

Project Property	Master TMK	Address	Yr. Built	County Zoning	Community Plan Designation	Number of Units
Wailea Ekahi I	210080640000	3300 Wailea Alanui Dr.	1976	Apartment/Business Resort/Open Space/Planned Unit Development	Multi-family/Open Space	100
Wailea Ekahi III	210080650000	3300 Wailea Alanui Dr.	1976	Apartment/Hotel-1/Open Space/Planned Unit Development	Multi-family/Open Space	104
Papakea	440010550000	3543 Lower Honoapiilani Rd.	1977	Apartment-2/Hotel-2	Residential	364
Hale Kaanapali	440060110000	45 Kai Ala Dr.	1967	Apartment-2/Hotel/Open Space	Resort Hotel	258
Maui Eldorado	440080210000	2661 Kekaa Dr.	1968	Apartment-2	Resort Hotel	205
Total						1,031

Importantly, the list's zoning and community plan designations do not always portray what one might expect and as noted earlier there may be some inaccuracies. For example:

- **Wailea 'Ekahi I** – the list indicates that this property has multiple zoning designations. According to the zoning map, most of the property is zoned Apartment while a small portion is zoned Business Resort.
- **Wailea 'Ekahi III** – according to the zoning map this property has approximate equal amounts zoned Hotel-1 and Apartment.
- **Papakea** – While the list indicates this property as having Apartment-2 and Hotel-2 zoning designations, the County's current zoning map depicts this property as only having an Apartment zoning designation. However, prior to adoption of the

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current zoning map, this property did have a smaller portion of its property zoned Hotel-2 while the majority was zoned Apartment.

- **Hale Kā'anapali** – this property currently has an accurate community plan designation of Resort Hotel.” However, the current zoning map depicts this property as having only an Apartment-2 zoning designation despite the list also indicating a Hotel zoning designation.
- **Maui Eldorado** – the zoning map accurately identifies this property as having an Apartment-2 zoning designation and the community plan designation is accurately identified as “Resort Hotel.”

In summary, it appears that all five properties currently or at some time in the past had a zoning and/or community plan designation of a hotel use type on all or a portion of their property. The Maui Planning Commission recommended that the Council consider excluding these properties from the proposed bill. These properties include a total of 1,031 units and thus if excluded from the bill, they would be able to continue operating transient vacation rentals.

If the Council decides to exclude these and/or other properties from the bill, the most effective process for doing so would be to change their respective zoning and/or community plan designation from apartment to hotel use. Such a process would require Planning Commission review and Council approval. When changing a zoning and/or community plan designation the Planning Commission and Council should evaluate each project’s level of consistency with the General Plan and the purpose and intent of the relative zoning districts. In these specific cases, level of consistency may be weighed against their originally intended use and/or current/past operations of hotel/TVR versus long-term residential.

2. ***Has your Department researched the range and median monthly fees for the units on the Department’s list, including association fees, maintenance fees, and insurance costs? If so, or if you are able to obtain that information, could you please share it with the Committee?***

While the Department has not conducted its own analysis of the range and median monthly fees for the units on the list, such an analysis can be found in the March 31, 2025 analysis prepared by the University of Hawai’i Economic Research Organization (UHERO), entitled, “An Economic Analysis of the Proposal to Phase Out Transient Vacation Rentals in Maui County Apartment Districts” (Analysis). Specifically, on page 12 of the Analysis, it indicates “*We define carrying costs as the predictable expenses associated with owning a unit. These include insurance premiums, maintenance fees, HOA*