

HOUSING AND LAND USE COMMITTEE
Council of the County of Maui

MINUTES

October 23, 2025

Online Only via Teams

RECONVENE: 11:06 a.m.

PRESENT: Councilmember Nohelani U‘u-Hodgins, Vice-Chair
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member
Councilmember Alice L. Lee, Member
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member
Councilmember Shane M. Sinenci, Member
Councilmember Yuki Lei K. Sugimura, Member

EXCUSED: Councilmember Tasha Kama, Chair

STAFF: James Krueger, Senior Legislative Analyst
Ellen McKinley, Legislative Analyst
Kasie Apo Takayama, Senior Legislative Analyst
Megan Moniz, Legislative Attorney
Jennifer Yamashita, Committee Secretary
Ryan Martins, Council Ambassador

Residency Area Office (RAO):

Keomailani Hirata, Council Aide, Moloka‘i Residency Area Office
Roxanne Morita, Council Aide, Lāna‘i Residency Area Office
Mavis Oliveira, Council Aide, East Maui Residency Area Office
Bill Snipes, Council Aide, South Maui Residency Area Office
Clyde “Buddy” Almeida, Council Aide, Makawao-Ha‘ikū-Pā‘ia Residency Area Office

ADMIN.: Nāhulu Nunokawa, Deputy Corporation Counsel, Department of the Corporation Counsel
Kristin Tarnstrom, Deputy Corporation Counsel, Department of the Corporation Counsel
Danny Dias, Planning Program Administrator, Department of Planning
Greg Pfost, Administrative Planning Officer, Department of Planning
Kari Stockwell, County Real Property Tax Administrator, Department of Finance

OTHERS: Others (80)

PRESS: *Akakū: Maui Community Television, Inc.*

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VICE-CHAIR U'U-HODGINS: . . .*(gavel)*. . . Good morning. Will the Housing and Land Use Committee meeting of October 22nd, 2025, please reconvene? It is 11:06 a.m. on October 23, 2025. I am the Vice-Chair of this Committee, Nohelani U'u Hodgins. Thank you. Chair Kama is out today, so I will continue to act as Chair for this meeting. Member Kama, is excused. Let's begin with Councilmember Tom Cook. Good morning.

COUNCILMEMBER COOK: Good late morning, Chair. Nobody currently is at the South Maui Regional Office for testimony, but we have --

VICE-CHAIR U'U-HODGINS: Testimony is closed, so --

COUNCILMEMBER COOK: Oh, that's right.

VICE-CHAIR U'U-HODGINS: -- hopefully not because this is a recessed meeting.

COUNCILMEMBER COOK: Okay. Well, hope nobody goes. Anyway --

VICE-CHAIR U'U-HODGINS: Okay. We'll now make it very clear, testimony is closed. It was closed yesterday.

COUNCILMEMBER COOK: Good morning.

VICE-CHAIR U'U-HODGINS: Good morning. Councilmember Gabe Johnson, good morning.

COUNCILMEMBER JOHNSON: Good morning, Chair, Councilmembers, Committee Members. Real quick, before we get started, I'm curious what the schedule is? Are we going to go until noon and have lunch, and we'll come back at 1:30?

VICE-CHAIR U'U-HODGINS: It depends. I'm quite flexible today. This was the only thing on my agenda except to pick up my children, and now my mom is doing that. So I'm here, and we can figure out whatever works for the body today. If you need to eat lunch at noon, I can always eat, so you let me know.

COUNCILMEMBER JOHNSON: Okay. I just need, maybe, leave around 1:00 o'clock-ish.

VICE-CHAIR U'U-HODGINS: Sounds good.

COUNCILMEMBER JOHNSON: Thank you.

VICE-CHAIR U'U-HODGINS: Council Chair Alice Lee, good morning.

COUNCILMEMBER LEE: Good morning.

VICE-CHAIR U'U-HODGINS: Councilmember Tamara Paltin, good morning.

COUNCILMEMBER PALTIN: Good morning. I'm here at my kitchen table with one minor canine, and hopefully her snoring doesn't bother you folks.

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VICE-CHAIR U'U-HODGINS: Thank you for saying that. I forgot to say, Members, in accordance with the Sunshine Law, please identify anyone by name, if anyone is in the room, vehicle, or workspace with you today. Minors do not need to be identified. So, for the record, I will say that. Thank you for beating me to it. Councilmember Rawlins-Fernandez, thank you for joining us. Good morning.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha awakea, Chair. Aloha awakea kākou. Nice to be here in person. I do have a meeting at 2:00, but I suspect that we'll be done so that Member Johnson can eat. I love eating too, as you do, Chair.

VICE-CHAIR U'U-HODGINS: Priorities.

COUNCILMEMBER RAWLINS-FERNANDEZ: And the recommendation is what the recommendation is. Mahalo, Chair.

VICE-CHAIR U'U-HODGINS: That's right, okay. Thank you. Councilmember Sinenci, good morning.

COUNCILMEMBER SINENCI: Aloha, Chair and good morning.

VICE-CHAIR U'U-HODGINS: Councilmember Yuki Lei Sugimura, good morning.

COUNCILMEMBER SUGIMURA: Good morning. Thank you, everybody, for working hard and I have a 2:00 o'clock meeting too. Thanks.

VICE-CHAIR U'U-HODGINS: Sounds good. Thank you so much. From the Department of Planning we have Mr. Gregory Pfost, Administrative Planning Officer; Danny Dias, Planning Program Administrator. They're online with us today. We have Kari Stockwell in person, County Real Property Tax Administrator. And we have Kristin Tarnstrom, Deputy Corporation Counsel, and Nāhulu Nunokawa, Deputy Corporation Counsel. Our Committee Staff includes Jennifer Yamashita, Committee Secretary; James Krueger, Senior Legislative Analyst; Kasie Apo Takayama, Senior Legislative Analyst...excuse me, sorry, Ellen McKinley, Legislative Analyst, and Megan Moniz, Legislative Attorney. Please see the last page of the agenda for information on meeting connectivity. Members, we left off yesterday afternoon with discussing our TIG report, and we are here again today to continue to discuss the TIG report. So we're going to continue with the deliberations. For...FYI, for the non-TIGers, we had Kasie and Nāhulu in all of our meetings, so they can also help answer questions if we need to, which I'm sure they're super stoked about. Look at Kasie's face. The two people...excuse me. We also had Danny and Greg in our meetings as well so they can help answer questions and Kari. She has provided us with information on the RPT, which I think this is what Member Cook, you asked for yesterday, but maybe we can begin with you explaining this document, and then we can begin deliberations.

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**TEMPORARY INVESTIGATIVE GROUP ON POLICIES AND PROCEDURES
FOR TRANSIENT VACATION RENTAL USES IN THE APARTMENT
DISTRICTS (HLU-4(1))**

MS. STOCKWELL: Thank you. Thank you for everything that you guys have been doing. Yes. So I created the document with all the properties that weren't in the Exhibit 2 to show...so you can have a current...that's all the Minatoya properties. So you can see the minimum, maximum of all the properties that are on the Minatoya list.

COUNCILMEMBER COOK: So, Chair? So if you took the grand total that we received today and you took off the Exhibit 2, ones that we got yesterday, that 58,878 minus 276, the difference is what is not on Exhibit 2?

MS. STOCKWELL: So I think --

COUNCILMEMBER COOK: This is...this is, like, all of them.

MS. STOCKWELL: Oh, that's all of them. Yes.

COUNCILMEMBER COOK: Okay. All of them.

MS. STOCKWELL: So you take one minus the other --

COUNCILMEMBER COOK: Okay.

MS. STOCKWELL: -- and you get everything that --

COUNCILMEMBER COOK: All of them, and you took this one off the balance?

MS. STOCKWELL: Correct.

COUNCILMEMBER COOK: Thank you.

VICE-CHAIR U'U-HODGINS: Thank you, Member Cook. Does anybody else have any other questions that we or our resources online can help answer? Chair Lee, please go ahead.

COUNCILMEMBER LEE: A few questions. All right. So with your recommendations of the TIG, does the TIG believe that the steps that need...that are needed to implement the recommendations could be done at a later date? For instance, creating the H-3, H-4, and any other important, substantive steps. Could they just be done later or do they need to go first?

VICE-CHAIR U'U-HODGINS: When you say first, do you mean like right now, before Bill 9, or --

COUNCILMEMBER LEE: Yes.

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VICE-CHAIR U'U-HODGINS: Okay. That's a great question, maybe, for Corp. Counsel. But what I do think is that...at least I think this is not something we necessarily discussed with the TIG, but I think this is a good question for Nāhulu. But, the recommendations from the TIG could stand independently. It could, independently of Bill 9. It could. But I plan to do the H-3 and H-4 new designations concurrently with the change in zonings, and I hope to do that soon. We actually are having a meeting next week so we can discuss timeline, but I think Nāhulu can answer your main question, if you don't mind Nāhulu?

MR. NUNOKAWA: Yeah. I don't mind. It doesn't necessarily need to occur before. It's up to this body on timeline of how you want to position these things. You could move forward on Bill 9 and create the zoning designation. It just depends on what you folks decide to do.

COUNCILMEMBER LEE: Well, it doesn't seem logical to me as far as the sequence goes to carve out thousands of units to be considered for a change in zoning and it seemed to meet the TIG's criteria for a change in zoning, but you don't have that zoning category created yet, and you're just hoping that in time it will be created. So, I mean, I don't recall us working on, you know, substantive significant legislation like this with the hope and wish that something else will occur in the future and which may actually go into some other Council's term where we have had absolutely . . . (timer sounds). . . no control over.

VICE-CHAIR U'U-HODGINS: I think that question is more for us. And I do see Member Paltin's hand up. I do hear you, Chair Lee, but I'm not going to hope for it to get done; we are going to do it. We've talked about it in our TIG. The Planning Department is going to help us. They're going to take the lead because it's a quicker process for them to do it. If they drag their feet, which I hope they're not, then we're going to do it. We have one of the recommendations is for us to do...as we discussed in the TIG, Member Cook is going to do a resolution. Initially, Member Cook was going to propose the H-3 and H-4 zoning designation, but in discussions with the Planning Department, it is quicker for them to do it. It can bypass us and go straight to the Planning Department...I'm sorry, Planning Commission, instead of coming here to get sent there. So it's a quicker process. The other quicker process is to have a Council-initiated change in zoning with the H-3 and H-4 new designations. It can happen simultaneously, and I plan to do it concurrently, and we're going to start it soon.

COUNCILMEMBER LEE: Okay. But if I might add, you might want to try to do it concurrently. But you don't have control over everything, you know, lawsuits --

VICE-CHAIR U'U-HODGINS: No one does, yeah?

COUNCILMEMBER JOHNSON: You know, you don't have control over the Planning Commissions who may not agree with you. You may not have control over a whole list of things.

VICE-CHAIR U'U-HODGINS: Sure.

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COUNCILMEMBER LEE: So I'm not questioning your intent, I'm just saying that there could be, and probably will be, unforeseen circumstances that come up that will delay this process, and that's the part I'm concerned about.

VICE-CHAIR U'U-HODGINS: Sure. I hear you on that. Thank you.

COUNCILMEMBER LEE: Okay.

VICE-CHAIR U'U-HODGINS: Member Paltin, you have something you want to add?

COUNCILMEMBER PALTIN: Sure. To me, it doesn't make sense to do this ahead of Bill 9 or allow this to hold Bill 9, to allow this TIG report and the actions that we plan to take to hold up the passing of Bill 9, because if Bill doesn't pass, why bother wasting our time with creating new zoning, with doing a mass change in zoning...Council-initiated change in zoning. And the things that are out of our control, like when the Planning Commission hears it, the Charter allows for that. For example, Member U'u-Hodgins started a Council-initiated change in zoning for Ho'onani Villages. The Planning Commission did not take it up within their Charter-allotted amount of time. It was direct referred to my Committee, and I'll be hearing it on November 5th. So there's an example of things being out of our control, us following the Rules of the Charter and the Code and continuing on anyway. So this is not a reason to stall any longer. One of the other things that we heard in the TIG was take a dump or get off the pot already because this holding pattern that we're in is just driving everybody insane, people for and against it, including ourselves. So I don't know why we would stall any much longer on Bill 9. The Planning Department is in support of H-3 and H-4. I haven't heard any of the Members be against it. The four of us on the TIG are for it. And so, in order for it to happen, like even if the Planning Commission says no, we would only need two more votes because the four of us already committed on the TIG, that we're in support of it. So if two people that weren't on the TIG say they're supportive, then it's going to go forward.

COUNCILMEMBER LEE: Chair?

VICE-CHAIR U'U-HODGINS: Thank you, Member Paltin. Chair Lee.

COUNCILMEMBER LEE: Did every Member of the TIG sign this document here that you submitted?

VICE-CHAIR U'U-HODGINS: I don't think our signature was required, but we did have unanimous support on all of the recommendations we submitted.

COUNCILMEMBER LEE: Okay. So I'm assuming that all you read was...what you approved?

VICE-CHAIR U'U-HODGINS: Yep.

COUNCILMEMBER LEE: So it says under a recommended action, it says barrier to implementation.

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VICE-CHAIR U'U-HODGINS: Yep.

COUNCILMEMBER LEE: The length of time for land use designation changes to be reviewed and approved --

VICE-CHAIR U'U-HODGINS: Yep.

COUNCILMEMBER LEE: -- will likely extend beyond the Council term, the current Council term. So I think I have very justified concerns, legitimate concerns --

VICE-CHAIR U'U-HODGINS: Sure.

COUNCILMEMBER LEE: -- you know, that just shouldn't be dismissed. I want answers. I want specific answers. Thank you.

VICE-CHAIR U'U-HODGINS: Sure, and I hear you. We have a very short Council term, and we are nearing the end of this year, which means we only have next year left. I did put together a rough timeline, which I don't necessarily feel comfortable discussing because I didn't share this with anybody yet. But if we get a move-on, we could be done about this time next year. I don't disagree; we're always going to have variables in life that we can't control. It could extend for a long time. Look how long we've been working on Bill 9. Look at how long we've been working on all the things, but all we need to do is start immediately, which I plan to do. We were just...I was just talking to Nāhulu about it. I do hear your concerns, and I understand them, which is why we're going to start ASAP. Thank you.

COUNCILMEMBER PALTIN: It will be even faster if we move on Exhibit 2 as is and take up additional ones after the fact, because same thing, that has four votes, it'll just take another two. And if we want to add or subtract...or mostly add and take that up in a separate discussion, then we can breeze through this faster, but it's going to take the work of all of us to get it done before the end of the term. And so, we can clearly see who's sandbagging and stonewalling as time goes on, and it is what it is.

VICE-CHAIR U'U-HODGINS: So my plan is, as the Chair for the TIG, I'm going to work with Planning Department and Corp. Counsel to do this Council-initiated change in zoning. We're going to work with Nāhulu and Corp. Counsel, send out a form letter to all of the properties listed on Exhibit 2 because, as Member Paltin said, as Member Cook and Member Sinenci, we have all agreed that these ones we feel comfortable changing zoning. And everybody else will then have the opportunity to review, like we're doing now, and we're going to give the property owners a timeline into which we need the information from them to send back to us, so we can input that in our change in zoning request to really us. So, what we probably need from the Planning Department, and they can answer, is metes and bounds information from their deed. Which I'm assuming they're all watching us right now. Hi, here's what we're going to need from you. We're going to need your metes and bounds; we're going to need some information from your deed so that we can expedite this change in zoning process. I will let Mr. Pfost answer this to really confirm what I'm saying. And my plan is to get all of those...oh, good, thank you

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for listening...all of those information packets for each unit, each property. We're probably going to have it in front of us. We'll send it to Planning Commission, they'll have their time to review. I think, and I hope, what will clarify some of the confusion in what we normally review as change in zoning, is we're trying to anticipate the unknown when we do a change in zoning, because majority of our land is Ag, and we typically change it to urban or something else. And so, the possibilities are hard to understand in the moment. But in this situation, because it's a lateral move from H-2 and 1...I'm sorry, A-1 and -2 to H-3 and 4, and it'll be liked for like. No additional units to increase, no additional hotel accessories that we typically allow in H-1, H-2.

COUNCILMEMBER PALTIN: That is correct.

VICE-CHAIR U'U-HODGINS: And M-1, the status quo will happen and hopefully this won't be a very long and drawn-out process because what we see is what we're already going to have. But --

COUNCILMEMBER LEE: I thought that the TIG's term expired. So you will continue?

VICE-CHAIR U'U-HODGINS: Yes.

COUNCILMEMBER LEE: We do need to extend the time.

VICE-CHAIR U'U-HODGINS: So the TIG...no, because it's just a recommendation. And so, with the TIG's recommendation, we can take that...sorry, I have a cough drop in my mouth...and do the PAFs and work on H-3, H-4 zoning and the Council-initiated change in zoning. We just needed to come before you folks before we could technically start on that work. So we needed to do this.

COUNCILMEMBER LEE: Chair?

VICE-CHAIR U'U-HODGINS: Yeah.

COUNCILMEMBER LEE: I thought I recalled you saying, probably yesterday, that there can be no changes to your recommendations.

VICE-CHAIR U'U-HODGINS: No, because the TIG is pau.

COUNCILMEMBER LEE: The TIG is pau.

VICE-CHAIR U'U-HODGINS: The TIG is pau. I'm not changing a recommendation.

COUNCILMEMBER LEE: So what you're doing...okay. So what you're doing is, like, reanalyzing some of the additional information you received from other property owners? I thought I heard you say that? No?

VICE-CHAIR U'U-HODGINS: No. So when we do our Council-initiated change in zoning, we will do what we have a big packet in the Exhibit 2, that will be the TIG's recommendation based on...or my proposal based on our TIG's recommendation. If any other property

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wanted to switch and become H-3 and H-4, they have a right to do so. They can do an applicant change in zoning, or they could solicit a Councilmember to do a Council-initiated change in zoning, but they won't be a part of the TIG's packet, unless we really did this some sort of something.

COUNCILMEMBER LEE: No, of course, the TIG...the TIG's packet has to be approved by the Council.

VICE-CHAIR U'U-HODGINS: Yes, like everything else.

COUNCILMEMBER LEE: Yeah.

VICE-CHAIR U'U-HODGINS: Yeah. But unless we really miss something, like there is some property we didn't double, triple check because we pretty much did, that has a timeshare or some other leasehold that we've already decided are those established criteria. The TIG's recommendation is the TIG's recommendation. But the other properties, which we're all getting flooded with emails, I know that, to request to have this new designation or request to be on Exhibit 2, we're not making changes to Exhibit 2, but it can still be H-3, H-4, whatever is their current zoning. They can move over, but they will just go through a different process unless one of the Councilmembers would like to sponsor them.

COUNCILMEMBER LEE: So you see that the list that . . .(timer sounds). . . you came up with would be...consists of how many applications?

VICE-CHAIR U'U-HODGINS: Let's look at...oh, hold on, I have it in front of me.

COUNCILMEMBER PALTIN: It'll be one application with multiple properties because it's a Council-initiated mass change in zoning. So all the properties on Exhibit 2 and whatever meet the criteria that we may have missed will be in that change in zoning. It'll be a mass change in zoning.

VICE-CHAIR U'U-HODGINS: We're looking at 48 properties.

COUNCILMEMBER LEE: 48 properties. And so, how many would not be on the list?

VICE-CHAIR U'U-HODGINS: The delta of the 48.

COUNCILMEMBER LEE: Which is?

VICE-CHAIR U'U-HODGINS: Let me look. There are...ooh, wait. Actually, that's actually 40-something properties because I forgot one and two, so 46 properties we're going to change. There are 104 properties on the list. If it ends at 106...I'm looking at my Excel spreadsheet. One, two...so, there's 104. However, there are four, Maui Schooner that is not applicable to this. Kū'au Plaza that has a variance, Mahina Surf that has a variance, and the Spinnaker which burned down.

COUNCILMEMBER PALTIN: So the variance properties are allowed to continue with or without

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a change in zoning. So if they wanted the change in zoning, I think we were amenable, but if they didn't want it, we didn't want to force it on them because they're allowed to continue on through their variance anyway. So it's kind of optional. Well, it's optional for everybody, but they can continue on without the change of zoning anyway because of their variance.

VICE-CHAIR U'U-HODGINS: Yes.

COUNCILMEMBER LEE: Well, I wish you a lot of success.

VICE-CHAIR U'U-HODGINS: We're going to need it.

COUNCILMEMBER LEE: Yeah. I know, I really --

COUNCILMEMBER PALTIN: Except for Spinnaker because Spinnaker didn't have a variance, it just burned down, so we weren't counting that as potential units because it doesn't exist right now.

COUNCILMEMBER LEE: Okay. So, you know, the proposal that was sent to us from the Mayor, I believe, had something like 6,100 units. And so, but my understanding is that Minatoya list was 7,000; is that correct?

COUNCILMEMBER PALTIN: Yeah, because some of the units are already classified as owner-occupied anyway, even though their highest and best use is short-term rental [phonetic]. People own it and live in it and can claim owner occupancy, homeowner exemption, or also long-term rental exemption. So there's 7,000 potential units, but that other number is how many are actually being taxed at STR, I believe.

COUNCILMEMBER LEE: Okay, because my concern is that I would consider that carve-outs in the sense that . . . (timer sounds) . . . that somebody made the determination these units don't apply when we've also had at the same time lots of emails and concerns shared by the public or STR owners that they, too, have used their units as, you know, owner-occupant use or long-term use. So I think somehow, they got skipped over or overlooked in some ways. Or my concern is, you know, the accuracy of the numbers we're working with. You know, I'm wondering about that.

COUNCILMEMBER PALTIN: Well, they can say whatever they want, but they need to have the documentation to back it up. Like, you can be an owner-occupied, but if you don't fill out the homeowner exemption form and turn it in by the deadline, then you're not going to get it. So you have to back up your claims with documentation is where we're at.

VICE-CHAIR U'U-HODGINS: But if they are owner-occupied, and they've submitted that information to our PT, and they can answer for themselves, they are...they do have that tax benefit. But it's the unit that's being taxed and assessed individually, not the property as a totality.

COUNCILMEMBER LEE: Yeah.

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VICE-CHAIR U'U-HODGINS: Yeah.

COUNCILMEMBER LEE: But time and time again, our friend there has talked about you. Kari.

VICE-CHAIR U'U-HODGINS: Kari. She's like, who?

COUNCILMEMBER LEE: Yeah, like who? Not me. Talks about you charging people on highest and best use.

VICE-CHAIR U'U-HODGINS: Do you want to answer that? And then I'm gonna give Greg an opportunity to answer the information that Planning and we will need for the change in zoning. Please go ahead.

MS. STOCKWELL: Okay. So, correct. We do charge on highest and best use. So there is a total...in the Minatoya properties, there's a little over 7,000 properties. However, there are properties within the Minatoya zone that are zoned timeshare, so those ones will stay timeshare per Bill 9. So we didn't include those when we ran our numbers.

VICE-CHAIR U'U-HODGINS: Yep.

MS. STOCKWELL: Also, anyone that was owner-occupied or long-term rental, so that's why the number went from that 7,000 to about the 6,000 properties because those are the ones that would be affected by the change in zoning.

COUNCILMEMBER LEE: Okay. So you don't consider those that you excluded from the list as carve-outs or given special exemptions.

MS. STOCKWELL: No, because they've applied for those exemptions. Those are granted to any...any parcel can apply for the owner-occupied exemption or the long-term rental exemption, not just the properties that's on the Minatoya list.

COUNCILMEMBER LEE: And they all applied?

MS. STOCKWELL: And all those properties that we have had applied...has successfully applied and been granted the exemption for homeowner-occupied.

COUNCILMEMBER LEE: But not the timeshare. Not timeshares.

MS. STOCKWELL: So timeshares are subject to HRS, they have to file Hawai'i Revised Statute timeshare plan and per Maui County Code 3.48.305, timeshares need to...as long as they file as an HRS timeshare, we have to tax them at that timeshare rate, and that is their highest and best use.

COUNCILMEMBER LEE: And their zoning category is?

MS. STOCKWELL: So their zoning would be either A-1 or A-2, they're on that...they're on the properties that reside in that Minatoya, but they have that timeshare --

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VICE-CHAIR U'U-HODGINS: Use.

MS. STOCKWELL: Yep. So their ownership is as a timeshare, and per Maui County Code, that is their highest and best use as timeshare.

COUNCILMEMBER LEE: No, but that's how you...when you charge people for their tax liability. I'm talking about...we're talking about land use, right, as well...as well?

VICE-CHAIR U'U-HODGINS: The land use is the A-1, A-2, that's why they're on the Minatoya list. But then their use is timeshare, ownership is timeshare. They're taxed as timeshare.

COUNCILMEMBER LEE: Okay.

VICE-CHAIR U'U-HODGINS: And we have records with that through HRS, the State, and they are taxed separately, as you know, when we do our budget, they have a separate line for timeshares. So they'll remain timeshares.

COUNCILMEMBER LEE: I'll probably ask for some kind of legal clarification on that. Thank you.

VICE-CHAIR U'U-HODGINS: Sure. Right now, if I could have --

COUNCILMEMBER PALTIN: Do we --

VICE-CHAIR U'U-HODGINS: I'm going to ask Greg real quick because we...I wanted to answer Chair Lee's original question about what information we're going to need to do the change in zoning. So if you could, please, Mr. Pfost.

MR. PFOST: Yes, thank you. Typically, it's basically what you've been submitting when you've been with other prior changes of zoning, so metes and bounds. It would be helpful if we had a description for each property on the reason for the change. You know, I know there is criteria established by the TIG, but for each property, it would be helpful for that for the Planning Commission to consider. There are certain criteria within the code that have to be met to do a change in zoning, so we want to provide that explanation. But I know Danny is also on the line, too, and Danny actually handles more of the change in zoning. I would actually be handling the change in the zoning designation from H...to H-3 and H-4 and creating that zoning designation. But I don't know if Danny has any additional information that would be needed to be submitted. Danny?

MR. DIAS: Thanks, Greg. Yeah. Greg is correct. That's the type of basic information that we would need. Generally, with change in zoning, you know, we require a lot more information, like traffic reports, drainage reports, et cetera. But in this case, it's a little different, obviously, because these structures already exist. So I would say, you know, the information that Greg just stated and also, you know, this would be an interactive process. We would bring this before the Commission. And so, the Commission would sort of have a say too, you know, when we bring this item before them. They might have

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certain things that they would want to know, like, you know, perhaps, you know, how much units in each individual apartment are currently, you know, short-term rented, et cetera. But, yeah, generally basic information. Thank you, Chair.

VICE-CHAIR U'U-HODGINS: Thank you for that. I appreciate that. Member Sugimura, did you have a question?

COUNCILMEMBER SUGIMURA: Yeah, on the...one of the testifiers yesterday, and I'm sure all of you got an email, Kauhale Makai said that they have the 13 timeshares as part of their whole. So what happens to them because they have timeshare, plus they do everything else.

VICE-CHAIR U'U-HODGINS: We're going...that one we apparently overlooked. We're going to discuss what we're going to do with that, and because it was part of the criteria, it'll most likely be in the Exhibit 2 package when we have to do it.

COUNCILMEMBER SUGIMURA: Okay. So you're going to add exceptions like that?

VICE-CHAIR U'U-HODGINS: If they meet the criteria we've already discussed. But really, timeshare was already exempt from Bill 9, so we were doing just to move them along. So if they're already doing timeshares, they're exempt. That's...we exempted them from Bill 9, but we put them on the Exhibit 2 list just so we could have a clean list of what is already exempted.

COUNCILMEMBER SUGIMURA: Okay.

VICE-CHAIR U'U-HODGINS: Yeah.

COUNCILMEMBER SUGIMURA: So you did not exempt them, but you are now.

VICE-CHAIR U'U-HODGINS: No, but they're exempted in Bill 9.

COUNCILMEMBER SUGIMURA: Okay.

VICE-CHAIR U'U-HODGINS: We didn't move them to Exhibit 2, but they're already exempted in Bill 9.

COUNCILMEMBER SUGIMURA: Oh, okay.

VICE-CHAIR U'U-HODGINS: Like, all timeshares. Member Rawlins-Fernandez.

COUNCILMEMBER SUGIMURA: Okay. Even if only a portion of their total unit?

VICE-CHAIR U'U-HODGINS: Yes, because that is the most legal way to...this is what Nāhulu advised us to do.

COUNCILMEMBER SUGIMURA: Okay.

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VICE-CHAIR U'U-HODGINS: Yeah. Good question. Thank you.

COUNCILMEMBER SUGIMURA: Thank you.

VICE-CHAIR U'U-HODGINS: Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I just wanted to clarify that it's not an exemption, Bill 9 just doesn't affect them because it's an ownership style.

VICE-CHAIR U'U-HODGINS: Yes. Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: So I just wanted to...I don't want anyone to get confused about, like, who is exempted and not exempted, it's just that Bill 9 just doesn't affect --

VICE-CHAIR U'U-HODGINS: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- timeshares because of the ownership style.

VICE-CHAIR U'U-HODGINS: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yep. Mahalo.

VICE-CHAIR U'U-HODGINS: Yeah, as well as, like, the variance properties. It doesn't affect them. Yeah, that's a better way to say that. I appreciate that. Okay. Do we have any more questions? Chair Lee.

COUNCILMEMBER LEE: Of the planner. Mr. Pfost, is he still on the call?

VICE-CHAIR U'U-HODGINS: I believe so.

COUNCILMEMBER LEE: Okay. Oh, there he is. Is it Post or Pfost?

VICE-CHAIR U'U-HODGINS: Post.

MR. PFOST: It's Pfost. The F is silent in my name. So, it's Pfost.

COUNCILMEMBER LEE: Okay. Thank you.

MR. PFOST: Sure.

COUNCILMEMBER LEE: So have you ever done this type of, let's say, comprehensive zoning before?

MR. PFOST: That's a good question. In my career, I don't think that I've ever done quite a switch with this many parcels before. I mean, I've done zoning changes before in my career, but not one with so many parcels being changed to a new zoning designation, no.

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COUNCILMEMBER LEE: Realistically, how long do you think that'll take to comprehensively zone all the properties on the list?

MR. PFOST: Well, I think...and Danny may chime in here too. But I think...and I think, as Danny mentioned, it's pretty straightforward because the change that we're doing is just basically allowing that existing use to continue and allow it to continue with the same structure size or development potential, the same development standards. That's what the H-3 and the H-4 does, is it replicates the A-1 and A-2. So basically, these...these changes in zonings are basically these billings and these uses are going to be operating the same as what they exist today. So there's not a lot of issues, theoretically, to address, it's just kind of switching them into a new zoning designation and allowing their timeshare...not timeshare, allowing their transient vacation rental use to keep operating as it has been. So you're not faced with as many issues. Sometimes as a different...other types of changes in zoning, you would have to consider more issues, traffic related issues.

COUNCILMEMBER LEE: Okay. So then, the issues you keep talking about, would one of them be community plan designation? That has to be --

MR. PFOST: There does need...yeah, most of these properties will need a community plan designation change as well, so that gets a little bit more complicated. We just need to be consistent with ensuring and reviewing the community plans, but we do need to make sure that they have a community plan designation change as well.

COUNCILMEMBER LEE: Okay. We know the South Maui -

MR. PFOST: They coincide with the zoning change.

COUNCILMEMBER LEE: We know South Maui is coming up, but what about West Maui and any place else? Who would initiate that and how long would that take?

MR. PFOST: . . .*(inaudible)* . . .

COUNCILMEMBER PALTIN: We do it concurrent. Like, you know, when you do a DBA, CPA, CIZ, it's the same amount of time because, you know, like when you have the three bills, Ho'onani Village, we're going to try to do a CIZ, MIP, CPA all at the same time under the same agenda item.

VICE-CHAIR U'U-HODGINS: Yep.

COUNCILMEMBER LEE: Okay. And then, is there --

COUNCILMEMBER PALTIN: So there's just --

COUNCILMEMBER LEE: -- Mr. Pfost, Mr. Pfost --

MR. PFOST: That would carry...that would also carry forward to the Planning Commission

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...*(timer sounds)*... to review the Committee Plan and the zone change at the same time for each property.

COUNCILMEMBER LEE: Can I ask one more question?

VICE-CHAIR U'U-HODGINS: Please.

COUNCILMEMBER LEE: Thanks. Okay. So as you are comprehensively zoning the property zone, Exhibit 2, the other properties who also want a change in zoning, when will you be able to take them up?

MR. PFOST: It's kind of a question, then, if whether or not there's other properties defined in your change in zoning. One, are able to have a Councilmember initiate that zoning, right, so that we could be...could be at the same time that the Council considers the...the change in zoning for everything on Exhibit 2. If those property owners have come forward to you and you want to add properties to that list, that would be the more expedient way. Otherwise, then it would be a simple...it would be an application for a change in zoning, community plan amendment for individual properties to do without a Council initiation and that would take a little bit longer typical with any change in zoning or community plan amendment, so it would take a little bit longer for our Staff to process.

COUNCILMEMBER LEE: What's a little bit longer?

MR. PFOST: And Danny would probably have to provide input on that. I know we're kind of short on staff, so I don't know if Danny has any comment on how long just a straightforward change in zoning to community plan amendment would take.

VICE-CHAIR U'U-HODGINS: Danny, I'm going to have you answer that question, and then I'm going to move on to Member Paltin, and we can come back to you Chair Lee, if you have any more questions. But go ahead, Danny.

MR. DIAS: Thank you, Chair. Yeah. The remote change in zoning, so, you know, an applicant-driven change in zoning, honestly, it's going to take the same amount of time as other changes of zoning. In this case, you know, like we mentioned earlier, because there's less information that we need because the structures are already constructed, I mean, that may help something like agency review or just the overall review process. But, still, you know, the requirements of, you know, notices, agency review, public hearing notices, getting before the Commission, et cetera, it's still going to take, you know, I would say at least a year. Thank you, Chair.

COUNCILMEMBER LEE: Thank you.

VICE-CHAIR U'U-HODGINS: Member Paltin.

COUNCILMEMBER PALTIN: Thank you. Contrary to Mr. Pfost's opinion, I think it would be faster to just change the zoning on Exhibit 2 or any STR parcel that meets the criteria if Kauhale Makai is proven to meet the criteria with their recordation of timeshare units.

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And then if a Councilmember wants to sponsor additional ones, I would do a separate one because you already have four votes for the Exhibit 2, and you may just need one more, or you may need two more, depending on what Planning Commission says. So that can sail through relatively quickly. If it wasn't on Exhibit 2, then you don't have four votes guaranteed, and it should stand on its own because we already discussed it. And I think the four of us agreeing on the list of Exhibit 2 can expedite those 40-odd parcels, not to say that other parcels won't be able to do it, but let's expedite what the TIG recommendations are. If it's agreed upon that those 40-some-odd either operate as a hotel or have timeshares, which we potentially don't want to mix up and say these guys can and these guys cannot within a same parcel, would be my recommendation because if we make it clear that we're not opening up Exhibit 2 willy nilly, it can go through faster and that's not shutting the door on all other parcels, that's just expediting that portion of it. And then, you know, whatever else happens, if a Councilmember wants to sponsor something else, they can, and then we'll discuss the merits in open session and it could take longer, but there's three to five years to do it. There's another term. And to the point of, you know, there might be a whole new term, that's our electorate. That's our constituency giving feedback on whether they want this or not. So if people that want to change the zoning or that want to phase-out short-term rentals are not reelected, then that's the constituency saying we don't want to phase out short-term rentals. If people that want to keep short-term rentals are reelected, then that's the constituency speaking. We're just here as representing our constituency. And so, they determine the future. . . .(timer sounds). . .

COUNCILMEMBER LEE: Chair?

VICE-CHAIR U'U-HODGINS: If I could add, I think real quick, I don't know if Member...I'm sorry, Mr. Pfost suggested we make a change to our TIG recommendation when we do it. But just that it could happen near around the same time, but it wouldn't necessarily be included in the TIG's, like 46-unit packet, or a property packet. Chair Lee, do you have another question, and then Member Cook, do you have a question?

COUNCILMEMBER LEE: Yeah. I have a comment.

VICE-CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER LEE: I have a comment. You know, when I talk about my point of view, I don't...and today's agendized item are the recommendations of the TIG. I expect to be able to express myself freely and not make statements and then hear a rebuttal. See, I'm just talking about the TIG, I'm not talking about anybody in particular.

VICE-CHAIR U'U-HODGINS: Sure.

COUNCILMEMBER LEE: So and I hope that this discussion will continue in this manner. Thank you.

VICE-CHAIR U'U-HODGINS: Yeah, of course. Member Rawlins-Fernandez, did you have something to add?

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I thought we were having a discussion.

VICE-CHAIR U'U-HODGINS: Me too.

COUNCILMEMBER RAWLINS-FERNANDEZ: And that's how discussions happen. Like, I say something and then it might, you know, like make you think of something and then someone thinks of something else, and we talk about the subject. And the feedback that each other gives, like that's how dialogue happens. What I was going to add to what Member Paltin was saying is that there are four votes because these four Councilmembers met on September 15th, 16th, 17th, 19th, 23, 27, 29 with the different resource folks from the Administration and elsewhere to vet these properties based on the criteria on...and I'm sure had maybe sometimes not easy discussions and debates over which property should be on that list and which shouldn't be on that list, but that's how we ended up with the recommendation. And so, it's...it's...that work was done and in order to consider more properties, I'd imagine that the same four and the rest of us would like to have, like, that level of discussion again, and that's what I would expect on any additional properties from the recommended list, Exhibit 2. There was one more thing I wanted to say, but I don't remember at the time. So at this moment I will yield the mic, but I appreciate the discussion and going back and forth and hearing everyone's perspective and being able to share my perspective on other...my colleagues' perspectives. Mahalo, Chair.

VICE-CHAIR U'U-HODGINS: Yeah. Thank you. We had a pretty good time in the TIG, I might want to add. We had roundtable discussions, the four of us with Nāhulu, and Stacy, and Kasie, and our resources. Usually, the most hot topic was what we were going to eat for lunch and making sure we didn't drip all over our paper, so a majority of our binder has some Fork and Salad dressing on it. But we had a decent time. We created the H-3, H-4 zoning within the first few, like, hours because Member Paltin...I mean, Member Cook wanted to do, initially, A-3 and A-4 and create that same allowed use, but then that would continue on gray area, so with the Planning Department's recommendation, we move that over to H-3 and H-4, and then we discuss criteria for a bit. And then what we did was go over the individual properties, kind of move over the obvious ones, and the non-affected ones, as we discussed, and then we kept a long gray list, is what we called it. And we kept going back to that gray list, and we kept trying to discuss its merits and remaining in apartment use or discuss its merits in keeping STR use. So that was kind of what happened. We met with Planning Department in the very beginning of our meetings and the Planning Department at the very end of our meeting, so that we could discuss how we're going to proceed, discuss amongst us, and then follow up with them to ensure that the way we're going to proceed is what we had originally intended and assumed was going to happen. And in the middle of all of that, we met with Members of the public to get information on leaseholds and timeshares and mortgage lending and met with a realtor to discuss HOA fees and how much the units were selling for. We discussed shoreline issues and that was the...did I miss anything? Nope?

COUNCILMEMBER PALTIN: I was wondering if the other parts about access is...was that not in the scope?

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VICE-CHAIR U'U-HODGINS: Can you remind me what about access?

COUNCILMEMBER PALTIN: How many of the properties did not allow access to the beach and that was --

VICE-CHAIR U'U-HODGINS: Yes. We spoke about how if shoreline properties continue with hotel use, how we would prefer that they allow kama'aina and local access to the oceanfront in front of their properties, but that will come in some of the criteria that we will maybe see in the bills to come. Yeah? Member Sugimura.

COUNCILMEMBER SUGIMURA: Thanks. So the opening two testifiers talks about...talked about Waihuli Beach Hale, I think.

VICE-CHAIR U'U-HODGINS: Yep.

COUNCILMEMBER SUGIMURA: In my scribbles...and I thought they were talking about that it's a very expensive property and it wouldn't make sense to put this on, you know, for everybody else. It should be on Exhibit 2. Did you all have discussions about that?

VICE-CHAIR U'U-HODGINS: We had discussions about what necessarily we consider affordable, but I'm not too sure if that one was...I'm going to say this, though, real quick, we're going to need properties with a whole bunch of price points, that's one. Two, they didn't necessarily tell us how much the units are for, and right now affordable housing is about \$700,000. So that is what it is. And I understand that's their perspective. If they wanted to send over some information...but what we did for the ones that were expensive, in the resort visitor areas is what...how we managed those, the expensive properties.

COUNCILMEMBER SUGIMURA: Okay. And then another one...there was a testifier from the Lahaina Beach, it sounded like Tamara knew the property pretty well. Would that be considered...it should be on Exhibit 2?

VICE-CHAIR U'U-HODGINS: Well, we're not making changes to Exhibit 2.

COUNCILMEMBER SUGIMURA: Well, it can be for future, right? So I'm just wondering what your thought process was?

VICE-CHAIR U'U-HODGINS: Um --

COUNCILMEMBER SUGIMURA: I mean, I don't mean to --

VICE-CHAIR U'U-HODGINS: I can add to...yeah, yeah, yeah.

COUNCILMEMBER PALTIN: I can add a little bit to what Nohe is trying to explain. You know, it's...it's been said a lot about affordable or attainable housing, but like as I said, before the fire, even, you needed housing in all shapes and sizes, all price point ranges. And so, knowing that majority of the people looking for housing are looking on the lower end,

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but not all. So we significantly removed a number of the higher-end parcels but not all because, you know, taking into account some different scenarios that aren't super prevalent but do occur, like empty nesters that have large houses in good neighborhoods may want to downsize where they don't have to do their own yard or do their own home maintenance and things like, and maybe possibly free up a single-family home for a younger family. A lot of people live at, you know, Kapalua Golf Villas is what we were told by one of our resources, and so it's not out of the question. And the other thing, you know, like assuming that we have seven years . . .(timer sounds). . . or fifty years or twenty years, maybe somebody wants to just live out the rest of their life oceanfront and they're not super concerned about sea level rise by 2100 because they're already in their 60s, 70s or 80s, you know. And so, there's those different situations that we didn't want to completely ice out from the opportunity, but we did feel that visitor focused areas, it did make sense to continue visitor accommodations.

COUNCILMEMBER SUGIMURA: Discretionary thoughts. So, Lahaina Beach Club, I'm sorry that was on my notes.

VICE-CHAIR U'U-HODGINS: Lahaina Beach Club...and --

COUNCILMEMBER PALTIN: I think Lahaina Beach Club was on my list.

COUNCILMEMBER SUGIMURA: That what? That list that you read out at that very end? What did you say?

COUNCILMEMBER PALTIN: Yeah.

VICE-CHAIR U'U-HODGINS: I think that was already on Exhibit 2, Lahaina Beach Club.

COUNCILMEMBER SUGIMURA: Oh, it was on Exhibit 2?

VICE-CHAIR U'U-HODGINS: I think so.

COUNCILMEMBER PALTIN: Yeah. That's what I said.

VICE-CHAIR U'U-HODGINS: Yeah.

COUNCILMEMBER SUGIMURA: Okay.

COUNCILMEMBER PALTIN: I'm pretty sure.

COUNCILMEMBER SUGIMURA: And so, everything that Tamara said yesterday afternoon, I can go back and listen to it. But do you have...can you just give us your notes because you said this was the properties you looked at and you came up with whatever, can you...and you were reading off of your piece of paper. So can you share with the Committee what you were saying on your visits, right? Those were your visits that you...actual sites visits you made. Thank you.

COUNCILMEMBER PALTIN: It's in my drawer next to my desk.

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COUNCILMEMBER SUGIMURA: With your lei.

COUNCILMEMBER PALTIN: With my lei.

COUNCILMEMBER SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: But basically, you know, if there were timeshares, then that was automatic easier because that's kind of black and white. If they were in visitor-focused areas, that was pretty easy. I know that the SLR-XA, I think, ones were the most subjective. And then the other one was the not suitable, which I guess could be subjective. But I think it was Lahaina Beach Club and Pikake that I visited, and it didn't seem suitable for long-term residential living.

COUNCILMEMBER SUGIMURA: So those were Exhibit 2 items.

VICE-CHAIR U'U-HODGINS: Yes. And then for...what we did is we used the 3.2 flood SLR-XA and worked with the Planning Department because that's what they use now, and the ones that were fully inundated for the most part, we moved over. I would also like to add, though...oh, we moved over to H-3, H-4. In reviewing --

COUNCILMEMBER PALTIN: But we did ground truth...for me I did ground truth all the SLR-XA...fully in the SLR-XA ones, I went and visited them and looked at it and assessed it myself.

VICE-CHAIR U'U-HODGINS: Yep. And then for those that we kept in apartment, we did look. Some of them have old deed documents that reference that this is for long-term residential use only. So we made sure to keep those in apartment use.

COUNCILMEMBER SUGIMURA: Okay. So the SLR-XA pretty much...they all...did you say it went to A-2, or are you going to exclude them?

VICE-CHAIR U'U-HODGINS: No.

COUNCILMEMBER SUGIMURA: What?

VICE-CHAIR U'U-HODGINS: So --

COUNCILMEMBER PALTIN: I'll try to explain.

COUNCILMEMBER SUGIMURA: So, what is the action that the TIG is going to do?

VICE-CHAIR U'U-HODGINS: So if they were fully inundated --

COUNCILMEMBER SUGIMURA: Yeah.

VICE-CHAIR U'U-HODGINS: -- with the 3.2, which is like we were talking about yesterday in Member Paltin's DRIP Committee, and how we recognize that as a hazard. If they were

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fully inundated...and some of them, if they were significantly and in those significant moments, Member Paltin did go and physically look at the area. As well as when we looked online, you can see a map and see what buildings are where on the property, then we...it made the lateral move from them to go to A-1, A-2 to H-3, H-4.

COUNCILMEMBER SUGIMURA: Okay. So they're on the list, then? Okay.

VICE-CHAIR U'U-HODGINS: Yes. They're on the list.

COUNCILMEMBER SUGIMURA: That's what I wanted to know.

VICE-CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER SUGIMURA: We haven't gotten some --

COUNCILMEMBER PALTIN: Not exclusively, though. For West Maui, I did ground truth the SLR-XAs. I walked the properties in Honokowai, and there were some, like, Lahaina roads I mentioned. The entirety of the parcel is in the SLR-XA, but they have, like, a five-foot sea level wall, seawall. And then the whole ground floor, which is another ten feet is not housing, it's just parking. And so, like, I did do some ground truthing there. Noelani, I think I mentioned specifically, which is South of S Turns Pohaku Park. S Turns Pohaku is like a dip in the road where that outlet is, and the Noelani you go up a hill and it's kind of on a cliff embankment. And I believe...so there were some, like, Nohonani, I believe, also, where at the Bureau of Conveyances, like the Chair said, they had recorded it was exclusively for long-term rental use and things like that. I think Lokelani came up in the testimony as well. Somebody wanted that to be taken off Exhibit 2. But to me, I looked at it, and I was questionable, because of where the high tide was, that it would have a long-term lifespan on it. So I moved that one to Exhibit 2, despite the Bureau of Conveyances recordation, because, you know, I think my criteria was at least I gotta look at it and feel confident that it's going to survive the next ten years, at least.

COUNCILMEMBER SUGIMURA: Okay.

VICE-CHAIR U'U-HODGINS: Thank you, Member Sugimura. Member Johnson, I saw you had your hand up.

COUNCILMEMBER JOHNSON: Thank you, Chair. I wasn't a member of the TIG, so this is a question for the TIG.

VICE-CHAIR U'U-HODGINS: Sure.

COUNCILMEMBER JOHNSON: When you guys considered some...some, you know, because we have the timeshare, have you...did you guys consider to maybe in that period of before Bill 9 takes effect, many people would suddenly turn...jump into the timeshare?

VICE-CHAIR U'U-HODGINS: That's...that's a good question for Ms. Stockwell.

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COUNCILMEMBER JOHNSON: Okay.

VICE-CHAIR U'U-HODGINS: I'm not too sure of the process for them to switch that over.

COUNCILMEMBER JOHNSON: Yeah. I'm curious on how that would work and all of a sudden, are you going to be inundated with a whole lot more timeshares?

VICE-CHAIR U'U-HODGINS: So --

COUNCILMEMBER PALTIN: We changed the law on timeshares --

COUNCILMEMBER JOHNSON: It's capped?

COUNCILMEMBER PALTIN: Where it has to be...not a cap, but when we were talking about...or when that Vacasa and timeshare ownership structure came up, and I think Michele McLean might have still been the Director. She anticipated that timeshares were the next big problem. And so, we changed the law that timeshares have to be a minimum of six months, and six months is a short-term rental occupation. So I think everyone before us changing the law can do timeshares in, like, two-week intervals or whatever it is. But once we change the law, it has to be a minimum of six months and that's...anything less than that is short-term renting. Six months and more, I believe, is not.

COUNCILMEMBER JOHNSON: Thank you for that institutional knowledge, Councilmember Paltin.

VICE-CHAIR U'U-HODGINS: Ms. Stockwell, did you want to add anything to that?

COUNCILMEMBER JOHNSON: Anything to add?

COUNCILMEMBER RAWLINS-FERNANDEZ: I wanted to add to that.

COUNCILMEMBER JOHNSON: Okay.

VICE-CHAIR U'U-HODGINS: Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: So the Vacasa that Member Paltin is talking about was a big threat because that was a lot of protesters happening in California over their housing inventory being taken up by a fractional ownership model, that Vacasa, I don't know if they started, but they were capitalizing on. And so, Member Paltin did the work and introduced the bill so that we would, you know, prevent that type of --

VICE-CHAIR U'U-HODGINS: Situation?

COUNCILMEMBER RAWLINS-FERNANDEZ: -- taking over of our housing inventory here, as well.

VICE-CHAIR U'U-HODGINS: Okay. Thank you.

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COUNCILMEMBER JOHNSON: Thank you. Thank you, Chair.

VICE-CHAIR U'U-HODGINS: Member Johnson, do you have any questions?

COUNCILMEMBER JOHNSON: That was my one.

VICE-CHAIR U'U-HODGINS: That was a good one. Any other questions? Chair Lee, you have any other questions?

COUNCILMEMBER LEE: Yeah, a couple of questions.

VICE-CHAIR U'U-HODGINS: You look antsy over there.

COUNCILMEMBER LEE: Yeah, you know, because I'm hungry.

VICE-CHAIR U'U-HODGINS: Oh, good.

COUNCILMEMBER LEE: Yeah. So what the Mayor initially proposed did not have these significant changes that the TIG is recommending, which is, what, about 4,000...how many on the list, about 4,000? You know, and then 2,000 that would have to --

VICE-CHAIR U'U-HODGINS: So, --

COUNCILMEMBER LEE: -- 2,000 something would have to apply independently?

VICE-CHAIR U'U-HODGINS: If...if they want to, sure.

COUNCILMEMBER LEE: Yeah, if they wanted to change zoning

VICE-CHAIR U'U-HODGINS: So right now, it's...I think this is the latest list, but it looks like 4,264 units that the TIG supported to move into H-3 and H-4, and to remain 2,438 units in apartment.

COUNCILMEMBER LEE: So --

VICE-CHAIR U'U-HODGINS: Which would be 1,377 units in South Maui and 1,061 in West Maui.

COUNCILMEMBER LEE: Because I noticed you keep referring to Planning, the Planning Department. So I'm just wondering why the Planning Department didn't help the Mayor come up with a list like this as well.

VICE-CHAIR U'U-HODGINS: That's a conversation you would have to have with them. I didn't ask, I don't know.

COUNCILMEMBER LEE: Okay. But...because they seem to be the ones to verify a lot of the properties that moved into Exhibit 2, right?

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VICE-CHAIR U'U-HODGINS: No.

COUNCILMEMBER LEE: No?

VICE-CHAIR U'U-HODGINS: No. They were in our first meeting, where we proposed the new...the new zoning for H-3, H-4, and then that was the first meeting that they were at, and then they were at the last meeting. But they weren't with us as we did majority of the move.

COUNCILMEMBER LEE: Okay.

VICE-CHAIR U'U-HODGINS: They were there as we kind of established the beginning of the criteria.

COUNCILMEMBER LEE: Okay. My other quick question is, I recall you asking me to give you more time for the TIG so that...and to wait on Bill 9 until you had a chance to finish, yeah?

VICE-CHAIR U'U-HODGINS: Hm-hmm.

COUNCILMEMBER LEE: So at that time, did you think that whatever you came up with would be incorporated in Bill 9?

VICE-CHAIR U'U-HODGINS: No. When I asked for the two-week extension, we were just about done with the TIG. And so, I just requested that it be held off until the next one so that we could report out. I thought we would have just at least had a minute for this TIG to drop the initial report and then, like, on this Friday we would have been voting on Bill 9. And then, in the following week, we would have this discussion. But what I didn't want to do is for the Members who are not in our TIG was for us not to be transparent and why maybe the TIG was voting a certain way because we couldn't talk about it. So, only now we can talk about it.

COUNCILMEMBER LEE: Okay.

VICE-CHAIR U'U-HODGINS: But I at least wanted to . . .(timer sounds). . . give the other non-TIG members an understanding of where we were. We felt, and I asked permission from the TIG for me to call you. So that was a request from the TIG, not just me.

COUNCILMEMBER LEE: Okay.

VICE-CHAIR U'U-HODGINS: So we could be as transparent with the community and the other members who were not in our TIG.

COUNCILMEMBER LEE: Okay. Did you ever discuss the possibility of...because I don't think any of us thought you would come up with such a substantial list. Exempting all those properties, we all have a change in zoning...exempting all those properties and asking the balance to change zoning, and that way...that way, conceivably Bill 9 could pass.

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VICE-CHAIR U'U-HODGINS: We had that discussion on our very first day with Corp. Counsel and with our Corp. Counsel's opinion, they felt that not making these substantial changes to Bill 9 would be our best path forward. Also, we discussed the possibility of because if it's so substantive, the changes, it may have to be sent back to Planning Commission, and we would start the clock all over again. In my personal opinion, creating a new zoning and moving properties laterally is the cleanest way we can do it, and in 20 years, we're not having this discussion again because no hotels will be in apartment districts.

COUNCILMEMBER LEE: Okay, because I understand your motivation and your intentions, but I highly doubt that you can get this done in a reasonable amount of time, that's my concern.

VICE-CHAIR U'U-HODGINS: You know what my children say when I say things like that to them, they go, bet.

COUNCILMEMBER PALTIN: No, I don't want to bet.

VICE-CHAIR U'U-HODGINS: They say "bet".

COUNCILMEMBER LEE: I do not want to bet because I just don't want to take anything from you.

VICE-CHAIR U'U-HODGINS: And I hear you, and I understand. That is definitely a concern of mine. So I hear you, Chair Lee, for sure. But I can only do what I can do as fast as I can do it.

COUNCILMEMBER LEE: I know. Please don't take this as blaming.

VICE-CHAIR U'U-HODGINS: No, that's fine. That's fine,

COUNCILMEMBER LEE: I'm not blaming. I'm not criticizing you either. I'm just sharing with you what I see.

VICE-CHAIR U'U-HODGINS: Yep.

COUNCILMEMBER LEE: Yeah, okay.

VICE-CHAIR U'U-HODGINS: No, and I appreciate that.

COUNCILMEMBER LEE: Okay.

VICE-CHAIR U'U-HODGINS: I appreciate that.

COUNCILMEMBER LEE: Thank you.

VICE-CHAIR U'U-HODGINS: Thank you, Chair. Okay. Any other questions? Oh, sorry, we

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cannot take from the audience. These are only for the Members. Member Sugimura, do you have a question? Okay. I'll get back to you. Member Johnson, do you have another question?

COUNCILMEMBER JOHNSON: Chair, my questions have been answered.

VICE-CHAIR U'U-HODGINS: Okay. Member Rawlins-Fernandez, do you have any questions?

COUNCILMEMBER RAWLINS-FERNANDEZ: I'm good. Mahalo, Chair.

VICE-CHAIR U'U-HODGINS: Okay, thank you. Member Cook, you have any questions?

COUNCILMEMBER COOK: What's our next step?

VICE-CHAIR U'U-HODGINS: Our next step is we're going to defer this because they don't need...we don't need to adopt the recommendations. You're going to work on the resolution for H-3, H-4 zoning. I'm going to meet with Planning and Nāhulu to make sure we have an established timeline to do so, that is next week. And we're going to talk about that zoning and all of the other recommendations we have for the Council-initiated change in zoning. Thank you.

COUNCILMEMBER COOK: Thank you.

VICE-CHAIR U'U-HODGINS: Thank you. Chair Lee, do you have any more questions right now?

COUNCILMEMBER LEE: No.

VICE-CHAIR U'U-HODGINS: Okay, thank you. Member Sinenci, you have any more questions?

COUNCILMEMBER SINENCI: I didn't have any questions, Chair. But I did want to add, you know, during testimony concerning Bill 9, we did hear a lot of testimony about affordability and up-zoning. And so, that was, I think, with the TIG's recommendation and creating the Hotel 3 and 4 zoning, that was one of the things that people actually requested. If some of the properties were already, one, in Hotel zone or already operating as a hotel. So, I mean, that was one of the things that people wanted. And then the second thing, that testimony was on the affordability of some of the properties, so...and then of course, the other ones that didn't make the list, they always have the option of submitting a zone change for their properties to Hotel 3 and 4. The affordability part we did talk about, Chair, the Ho'omuku Hou that provides for first-time owners in Lahaina. So if they qualify for that, some of these properties could be picked up with using those HUD funding. And then also we did have discussions about the County possibly purchasing some of the units as well, so I just wanted to add that. Thank you.

VICE-CHAIR U'U-HODGINS: Thank you. I appreciate that.

COUNCILMEMBER LEE: Chair, I just wanted to...I don't want people to misunderstand with

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what was just said because one of those programs with the CBDG-DR funds that provides funding for new homes or purchasing homes, there are restrictions. You know, restrictions like, for instance, no purchases along the coastline or shoreline.

VICE-CHAIR U'U-HODGINS: Yep.

COUNCILMEMBER LEE: And that's one of the issues I have with this whole thing

VICE-CHAIR U'U-HODGINS: Yeah.

COUNCILMEMBER LEE: Thank you.

VICE-CHAIR U'U-HODGINS: Yeah, thank you, which is why we did discuss the shoreline properties and typically move them over to H-3 and H-4 zoning. Member Paltin, do you have anything to add before we close out this meeting?

COUNCILMEMBER PALTIN: Just like Chair Lee said, shoreline and flood zone is not eligible and that program has been closed due to overwhelming amount of applications. I have heard that the first two applicants have gotten their shopping letters.

VICE-CHAIR U'U-HODGINS: Wow.

COUNCILMEMBER PALTIN: And they're about to close, I believe, on...I've heard of at least one single-family home in Wailuku, so great news for one fire survivor. Oh, I'm going to need to disclose an adult male returned home from work and his name is George Vierra.

VICE-CHAIR U'U-HODGINS: Hello, George Vierra.

MR. VIERRA: Hello.

VICE-CHAIR U'U-HODGINS: Hello. Okay. Well, Members, if we don't have any...please, if we don't have any questions, without objection, I'm going to defer this item.

COUNCILMEMBERS VOICED NO OBJECTIONS (excused: TK).

ACTION: DEFER pending further discussion.

VICE-CHAIR U'U-HODGINS: Thank you very much. This concludes the HLU meeting for today. Thank you so much, Members. It is now 12:14 p.m. and this HLU meeting is adjourned . . . (*gavel*) . . .

ADJOURN: 12:14 p.m.

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CERTIFICATION

I, Terianne L. Arreola, hereby certify that pages 1 through 29 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 30th day of October 2025, in Wailuku, Hawai'i.



Terianne L. Arreola