


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: Tom Cook, Councilmember. 

Description: This amendment adds Subsections E and F to Section 19.12.070, Maui County Code, to establish processes for zoning amendments and conditional permits for Transient Vacation Rentals in Apartment Districts.

Motion: Move to amend Section 4 of HLU Committee Chair Kama's proposed CD1 version of Bill 9 (2025), by adding Subsections E, F, G, and H to Section 19.12.070, Maui County Code, to read as follows, with language to be inserted highlighted:

"19.12.070 [Reserved.] Transient vacation rental phase-out. A. In accordance with subsection 46-4(a), Hawai'i Revised Statutes, the council finds that a deadline of July 1, 2030, by which transient vacation rental uses in apartment districts must be phased out is a reasonable amortization period.

B. Transient vacation rental uses that were permitted in apartment districts by ordinance 1797 (1989), or sections 19.12.020, 19.32.040, 19.37.010, or 19.500.110, that were lawful uses before July 1, 2025, must be phased out and will no longer be permitted after an amortization period, as follows:

1. The uses may continue until the amortization period ends on June 30, 2030.

2. On July 1, 2030, the uses will no longer be permitted or allowed as legally existing nonconforming uses and must cease.

C. Validly existing time share units or time share plans are exempt from this section.

D. The director of finance, with the assistance of the planning director, must provide notice to owners of real property subject to amortization under this section by January 1, 2026, as follows:

1. The notice will be sent to property owners according to the address of record listed for real property tax purposes.

2. The notice will contain an explanation of the amortization period, the property uses being phased out, and the date the uses must cease.

3. The notice must also be published in a news publication of general circulation at least once for each of two successive weeks.

E. The planning director must, by December 31, 2025:

1. Develop and implement a streamlined application and review process for properties operating as transient vacation rentals in apartment districts that seek a change in zoning to a hotel district, the B-R resort commercial district, or another visitor-oriented zoning district.

2. Provide clear, comprehensive, and accessible guidance to property owners affected by this section. This guidance must include a step-by-step description of requirements, procedures, and timelines for submitting change in zoning applications and information about consistency with the applicable community plan designation.

3. Prioritize the review of qualifying change in zoning applications. The department must allow the applicants a reasonable opportunity to complete the change in zoning process within the amortization period, if the proposed zoning district is consistent with the property's community plan designation.

F. A property owner of a transient vacation rental unit operating lawfully in an apartment district before July 1, 2025, may apply for a conditional permit under chapter 19.40 to allow continued transient vacation rental uses, if the owner does not qualify for a change in zoning under subsection E. To be eligible, the proposed use must:

1. Be consistent with the applicable community plan designation.

2. Involve a property that is in compliance with all State and County taxes, licenses, and permits.

3. Comply with all applicable development standards and operating conditions set by ordinance or as part of the conditional permit.

4. Be applied for by December 31, 2026.

Approval of a conditional permit under this subsection is not guaranteed. Each application for an initial conditional permit is subject to council approval. An application may be granted with conditions.”

G. West Maui Transient vacation rental phase-out Pilot Project.

1. The provisions of this section shall apply to the geographic area of West Maui, as delineated by official county maps and community plan designations for West Maui, commencing on January 1, 2026, and concluding on December 31, 2027.

2. The purpose of this pilot project is to evaluate the effectiveness and impact of the provisions of this section and other relevant sections of this chapter on transient vacation rentals in apartment districts within West Maui.

3. The Planning Director, with the assistance of other relevant county departments, shall submit a report to the Council by October 1, 2027, detailing the findings, challenges, and recommendations derived from the pilot project.

4. Upon the conclusion of the pilot project on December 31, 2027, the full provisions of this section shall apply to West Maui consistent with the county-wide implementation schedule outlined in Subsection H.

H. Staggered County-Wide Implementation.

1. West Maui: The provisions of this section shall apply to West Maui, as delineated by official county maps and community plan designations, commencing on January 1, 2026, as part of the pilot project defined in Subsection G.

2. Molokai, Lānaʻi, and East Maui: The provisions of this section shall apply to Molokai, Lānaʻi, and East Maui, as delineated by official county maps

Recessed HLU Committee meeting of June 9, 2025

and community plan designations for this region, commencing on January 1, 2028.”

3. Central and Upcountry Maui: The provisions of this section shall apply to Central and Upcountry Maui, as delineated by official county maps and community plan designations for these regions, commencing on January 1, 2029.

4. South Maui: The provisions of this section shall apply to South Maui, as delineated by official county maps and community plan designations for this region, commencing on January 1, 2030.”

Reasons: This amendment provides a clear pathway and guidance for property owners to apply for a Change in Zoning or a Conditional Permit during the amortization period. It ensures guidance, prioritized review, and a defined application period for property owners seeking to continue operations under specified conditions.

Additionally, this amendment establishes a pilot project for West Maui to allow for evaluation of the bill's impact and administrative processes before broader implementation. The staggered county-wide implementation provides a managed transition for property owners and county departments, recognizing regional characteristics and allowing for lessons learned from the pilot phase.

paf:kjh:25-168a