

LU Committee

From: Lawrence Carnicelli <Lawrence@RAMaui.com>
Sent: Thursday, May 10, 2018 2:57 PM
To: LU Committee
Cc: Robert Carroll; Riki Hokama; Alike A. Atay; Elle Cochran; Stacy S. Crivello; Donald S. Guzman; Kelly King; Yukilei Sugimura; Mike White
Subject: RAM Testimony LU-40
Attachments: Tesimony LU40 B&B restrictions 5.16.2018.docx

Aloha Chair Carroll and Land Use Committee Members,

Please find RAM's testimony on LU-40 attached as I will not be here to testify in person on May 16th.

Thank you,

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May 16, 2018
Testimony LU-40

Good morning and aloha Chair and members. My name is Lawrence Carnicelli, speaking on behalf of the REALTORS Association of Maui's licensed professional REALTORS® and our affiliates on item LU-40.

First... anytime we discuss the vacation rental industry the biggest part of the conversation is (and should be) ILLEGAL vacation rentals. Here on Maui we do not have a vacation rental problem... we have an illegal vacation rental problem! Therefore, discussion of abuses, restrictions and remedies will always include enforcement against the illegal rentals that operate outside any law you create here in this chamber. It's not possible to legislate enforcement.

As you are aware there is a **cap of 400 B&Bs** for the island of Maui. There have only been **128 permits** granted thus far. Consequently, proliferation is not due to these legal homeowners this bill targets.

The County is failing to address this problem as there is lack of enforcement on these illegal operators. In order to solve this lack of enforcement the Council is continually reconsidering punishing those willing to go through the proper channels, complete applications, pay their fees, pay their taxes, complete all inspections and get all approvals to run legally. In essence we are punishing the legal operators for the sins of the illegal operators. What we should be addressing is how the process of enforcement is written and implemented... in the code and in practice.

With that said RAM offers the following comments:

1. 19.64.060 C – The change to a one hour inspection notice fails to comply with the Hawaii State Landlord Tenant Code if the unit is occupied. By law, **tenants must be given 48 hours' notice regardless of the duration with which that tenant occupies the unit.**
2. 19.64.065 1 e – It is very harsh to disallow renewal of a LEGAL permit for a simple warning. Especially if that apparent violation never existed or was remedied expeditiously.
3. B&B operators are homeowners who are local people and live on property. They are not off-island investors.

Thank you for the opportunity to testify.