

HOUSING AND LAND USE COMMITTEE

Council of the County of Maui

MINUTES

June 9, 2025

Online Only via Teams

CONVENE: 10:02 a.m.

PRESENT: Councilmember Tasha Kama, 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

EXCUSED: Councilmember Nohelani U‘u-Hodgins, Vice-Chair
Councilmember Yuki Lei K. Sugimura, Member

STAFF: James Krueger, Senior Legislative Analyst
Ellen McKinley, Legislative Analyst
Carla Nakata, Legislative Attorney
Jennifer Yamashita, Committee Secretary
Jean Pokipala, Council Services Assistant Clerk
Lei Dinneen, Council Services Assistant Clerk
Ryan Martins, Council Ambassador

Residency Area Office (RAO):

Zhantell Lindo, 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.: Chris Nāhulu Nunokawa, Deputy Corporation Counsel, Department of the Corporation Counsel
Mimi Desjardins, First Deputy Corporation Counsel, Department of the Corporation Counsel
Kristen Tarnstrom, Deputy Corporation Counsel, Department of the Corporation Counsel
Richard T. Bissen, Jr., Mayor
Laksmi Abraham, Director of Communications and Government Affairs, Office of the Mayor
Matt Jachowski, Executive Assistant, Office of the Mayor
Ana Lillis, Deputy Director, Department of Planning
Marcy Martin, Director, Department of Finance

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OTHERS:

Testifiers

Eve Hogan

Steve Hogan

Richard Hudson, Lāhainā Strong

Donna Ting

Susan Halas

Aaron Kelling

Timothy O'Shaughnessy

Mike Keesler

Paul Zarubin

Leslie Brown

John Egbert

Matt Adamson

Donna Butterfield

Francine Johansen

Cara Birkholz

Jennifer Taylor

Lisa Persinger

Dave Englert

Heidi Dollinger

Lynette Pendergast, President, Realtors Association of Maui

Pamela Reader

Jordan Hocker

Susan Deloria

Shannon I'i

Karen Smart

Jade Moreno

Kamauno Kahaialii

Cory McKim

Kathleen Cardenas Haro

Annie Alvelais

Stephanie Villalobos

Josh McKim

AnnDionne Selestin

Noelle Bali

Anna Barbeau

Richard Prata

Richard Van Barriger

Ceone Nojima-Jacinto

Elizabeth Ray

Ruby Ray

Paele Kiakona

Justice Villaren

Russell Wynne

Faith Cummins

Jerome Bosch

Heather Quesade

Jason Gobey

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Karen Ryan
Caitlin Miller
C. Rose Reilly
Shane Albritton
Ki'i Kaho'ohanohano
Others (350)

PRESS: *Akakū: Maui Community Television, Inc.*
Chelsea Davis, Hawai'i News now
Brian Perry, Maui Now
Paul Aker, Aker Media

CHAIR KAMA: *... (gavel) ...* Will the Housing and Land Use Committee meeting of June 9th, 2025, come to order. It is now 10:02 a.m. I am Tasha Kama, Chair of the Housing and Land Use Committee. I see all your signs that are out there, and I think it's great that you bring your signs, but try not to impede the people behind you when you hold them up. So...but I thank you for bringing them and putting us passionately on notice. This online meeting is being conducted in accordance with the Sunshine Law. Members, when your name is called, if you are not with me in the Council Chamber, please identify by name who, if anyone, is in your workspace with you today. Minors do not need to be identified. Members, any questions before we begin? So, I want to say aloha kakahiaka to our Committee...Council Chair Alice Lee.

COUNCILMEMBER LEE: Aloha mai kākou. Welcome to all of our testifiers, and I hope we have a very interesting and productive day. Thank you.

CHAIR KAMA: Thank you. Committee Vice-Chair Nohe U'u-Hodgins is excused, as is our Council Vice-Chair, Yuki Lei Sugimura. I want to say aloha kakahiaka to Councilmember Tamara Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka, and aloha 'āina kākou.

CHAIR KAMA: Maika'i. I want to say good morning and aloha kakahiaka to Councilmember Gabe Johnson.

COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, community members. There's no testifiers at the Lāna'i District Office, and I'm here and ready to work. Mahalo.

CHAIR KAMA: Thank you. And aloha kakahiaka to our Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka, Chair. And aloha kakahiaka to Administration, and everyone in the gallery, aloha kakahiaka. I love having our gallery so full. Mahalo, Chair. Oh, there are currently no testifiers at the Moloka'i District Office. Mahalo, Chair.

CHAIR KAMA: Thank you. And I assume the same for you, Gabe, right? Testifiers.

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COUNCILMEMBER JOHNSON: Right. That's correct. There's no testifiers at the Lāna'i District Office.

CHAIR KAMA: Thank you. And now we're going to go on to our Councilmember Tom Cook.

COUNCILMEMBER COOK: Aloha, Chair. Good morning. There's currently no testifiers in the Kihei Regional Office, but people are on standby. Looking forward to today's meeting, and hoping that everybody can be civil and enable --

CHAIR KAMA: Yes.

COUNCILMEMBER COOK: -- everybody to state their opinion. Thank you.

CHAIR KAMA: You're welcome. And aloha kakahiaka to Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Hey, aloha kakahiaka, Chair, and to everyone here. Nice to see everyone. Thanks for joining us. And Chair, there are no testifiers in Hāna.

CHAIR KAMA: Thank you. So, we have today with us from the Department of Corp. Counsel...who do we have with us from Corp. Counsel? *(pause)*

MR. NUNOKAWA: Hello. Nāhulu Nunokawa, Deputy Corporation Counsel.

CHAIR KAMA: Thank you. Good morning to you, too. We also have, from the County Administration, our Mayor Richard T. Bissen, Jr. Aloha kakahiaka, Mayor. *(pause)*

MR. BISSEN: Aloha. Oh, there you go. Aloha mai kākou. Welcome to everyone here. Aloha, Chair, Councilmembers. Thank you for having us.

CHAIR KAMA: Thank you for being here. We have also the Director of Finance with us, Marcy Martin. Aloha kakahiaka.

MS. MARTIN: Aloha.

CHAIR KAMA: And we have the Deputy Director of Planning, Ana Lillis. Aloha.

MS. LILLIS: Good morning, Chair. Good morning, Members.

CHAIR KAMA: We have Matt Jachowski, the Executive Assistant to the Mayor. Aloha, Matt.

MR. JACHOWSKI: Aloha kakahiaka.

CHAIR KAMA: And we also have with us the Director of Communications and Government Affairs, Laksmi Abraham. Aloha kakahiaka . . .*(inaudible)*. . .

MS. ABRAHAM: Aloha, Chair. Aloha, Members.

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CHAIR KAMA: And we have our Committee Staff. We have James Krueger, our Senior Legislative Analyst. Good morning.

MR. KRUEGER: Good morning, Chair and Members.

CHAIR KAMA: And we have our Legislative Analyst, Ellen McKinley. Good morning.

MS. MCKINLEY: Good morning, Chair and Members.

CHAIR KAMA: And we have our...Jennifer Yamashita, our Committee Secretary. Good morning.

MS. YAMASHITA: Good morning, Chair and Members.

CHAIR KAMA: And we have Carla Nakata, our Legislative Attorney.

MS. NAKATA: Aloha, Chair and Members.

CHAIR KAMA: And we have our Assistant Clerk, Lei Dinneen, out there taking our testimonies. So, good morning to you.

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

CHAIR KAMA: So, thank you, Members, for attending today's HLU Committee meeting in person. And we have a single item on the agenda today. Bill 9, Amending Chapters 19.12, 19.32, and 19.37, Maui County Code, Relating to Transient Vacation Rentals in Apartment Districts. Members, this item has been one of passionate discussion, and unfortunately, has created division to the point of bullying, intimidation, and fear of retribution within our community. We're starting our considerations on this matter, and I expect, given that...the division that we'll be hearing from public in several following meetings. Members, we are scheduled to meet today until 4:30 this afternoon. Given the interest in the bill, I expect that we'll be hearing testimony up until that time. And if that is the case, I will recess this meeting to our regularly scheduled HLU meeting on June 18th, 2025, at 9:00 in the morning in this Chamber, and online at the same Microsoft Teams link. After convening that meeting, we'll resume testimony using the current list of testifiers. New attendees to this meeting will be placed on the bottom of the testifier list at the recessed meeting. I will also recess this meeting for lunch at 12:30 for one hour until 1:30 p.m. I also plan to recess for a mid-afternoon break at 3:00 p.m. for ten minutes. And I hope that by providing this information, that Members and the public are better informed as to how I will be managing our meeting time today. And I ask for your full cooperation and participation in today's meeting. In accordance with the Sunshine Law, as Chair, I will be calling for testimony for our single item agenda after we receive a presentation from our Mayor and his team. Members, I ask that you hold all your questions for the Administration until after testimony has been closed. Given the expected length of time required for this testimony, I would

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recommend that you would write down your questions so that we can get to them expeditiously after testimony is closed. So, Members, the matter before us represents a substantial shift in land use with potentially dramatic economic and social effects. It will not be a decision that will be taken lightly. We will consider all arguments--those who support, and those who oppose. For members of the public in the Chamber and online, I hope to not tolerate the division on this issue to be expressed in language that violates the Council's standard of decorum. Please address your comments in favor or against the bill to the Chair of this Committee and to the Committee itself, not to others in office or other members of the public. I will need to enforce decorum in this meeting, and in all future meetings on this bill, to respect the space for all voices to speak. And again, I ask for your kokua. I will be inviting our Mayor and his team to give a presentation on why their proposed bill at this time. I also believe that they will be addressing measures to lessen the economic impact on the County, and maximize the social benefit. I'm also hoping that providing this information in advance of testimony will help to reduce any divisions within our community. So, Mayor Bissen, the floor is now open for your presentation.

MR. BISSEN: Mahalo, Chair. Again, aloha to Committee Chair Kama and Councilmembers. Today, we are coming before you on behalf of the people of Maui County, who continue to face the most severe housing crisis in our history. The urgency of this moment demands action, and we respectfully ask for your support of Bill 9. We are not here to divide our community, we are here to preserve our community. We've spent the past several months listening to voices on all sides, including supporters, opponents, community leaders, and the residents that are most directly impacted. We have taken all perspectives into thoughtful consideration. Likewise, our proposed amendments reflected in Bill 9 CD1 provide a reasonable amortization period of three years. We also acknowledge that some of these properties may wish to continue to operate as transient vacation rentals beyond that amortization period. These properties will be able to seek a change in zoning from Apartment to Hotel District to properly comply with land use regulations. I would also like to clarify that this bill does not apply to timeshare units, and will not disrupt their ability to operate. We acknowledge and appreciate the thorough work of UHERO in producing their March 2025 report, which thoughtfully outlines the potential benefits and trade-offs of phasing out TVRs in Apartment-zoned districts. But economic models, as valuable as they are, do not tell the full story. They cannot quantify the heartbreak of yet another local family forced to leave their homeland. They cannot calculate the loss when kūpuna are separated from mo'opuna, or when cultural knowledge disappears because the next generation simply cannot afford to stay. They do not measure the cost of a teacher, a nurse, or a firefighter who leaves Maui for good because they couldn't find housing near where they serve. And they cannot predict what it means for our keiki to grow up without the hope of living in the only place they have ever called home. That is the true cost we are trying to prevent, and that is why this action is so critical. It's undeniable that our housing market is out of balance, and that short-term rentals under the Minatoya list have significantly contributed to that. We now see impacts on our communities that were not visible or widely understood 30, 20, or even 10 years ago. Maui County is not alone in confronting this issue. Around the world, TVRs are turning homes into tourist lodgings, displacing residents, inflating housing costs, and straining neighborhoods. In many cases, these investments place profit ahead of community, weakening our social fabric, overloading

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infrastructure, and contributing little to the services residents rely on. Recognizing these impacts, cities like Amsterdam, Florence, New York, and Honolulu have restricted TVRs to protect housing for residents. Maui County's Bill 9 aligns with this global shift to reclaim homes and restore balance between tourism and community viability. Specifically, Bill 9 proposes to transition transient vacation rentals and apartment districts to long-term residential use. This provides a clear and lawful path to restore neighborhood integrity, address our housing shortage, and realign land use policies with the values and intent of our community. Through careful review, we've identified four areas of concern associated with the proposed implementation of Bill 9. As we move forward, I want to acknowledge and respond to the concerns that have been raised around phasing out TVRs in apartment zones. Of course, the potential economic impact. The most significant concern raised is the potential economic impact. But the projected losses in UHERO's report are based on an assumption of inaction. Our Administration is prepared to propose tax policy adjustments to offset revenue shortfalls, which Finance Director Martin will explain further today. Secondly, job displacement does not mean job destruction. As TVRs are phased out in apartment zones, many jobs will shift to the more than 8,000 illegal TVRs that will continue to operate. Hotels also offer comparable employment opportunities, often with competitive wages and benefits. In alignment with our Administration's goal to diversify Maui County's workforce and reduce our over-reliance on tourism, we are focusing on sustainable job growth across sectors such as education, agriculture, healthcare, and technology. One thing we have witnessed about tourism, it is resilient. Visitors continue to come, and accommodations will simply shift to legal TVRs in properly zoned areas or hotels. Our limited housing impact. Some argue that TVR units are unsuitable for long-term housing due to size, cost, or management expenses. But the fact remains that many TVR owners and other Maui families continue living in these complexes today, proving their viability. High carrying costs are a symptom of TVR inflated market values. Returning these units to residential use can help rebalance prices over time. Owner intentions may vary, but public policy and strategic tax incentives can influence that behavior. Programs are available, and can be developed, to ease the transition for both owners and renters, which we will touch on today in our presentation. It's true that TVR visitors spend in local communities, but this spending has come at the cost of displacing the very residents who once supported those same businesses. A restored residential base means more consistent year-round support for local-serving businesses, especially in areas currently saturated by vacation rentals. Tourism can and will continue to support the island's economy, but it must do so in a way that doesn't hollow out our neighborhoods. As far as alternative solutions, some suggest we should focus solely on enforcing illegal TVR laws, building more housing, or dedicating TVR tax revenues to development. The truth is, the County is already doing all of these. Enforcement is active, effective, and ongoing, but the current data does not suggest this is a widespread issue. At the same time, we simply cannot build fast enough to meet the scale of demand we're facing, and limited resources, especially water and sewer capacity, make it impossible to deliver enough new units in the time to reverse this crisis. That is why Bill 9 is a critical part of our broader housing strategy, which includes enforcement, new construction, infrastructure investment, housing programs, and now, reclaiming existing units for local residents. Bill 9 does not replace these efforts, it strengthens them by using tools we already have to make immediate progress, not years down the line. At this time, I'd like to introduce Finance Director Martin to

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provide insight on our approach to offset potential tax revenue loss. Thank you, Director.

MS. MARTIN: Thank you. So, according to 2025 Real Property Assessment Division records, approximately 6,000 properties classified as TVR/STRH, also known as Minatoya properties, would be impacted by Bill 9. Importantly, the data reveals that around 12 percent of these units are already being used for long-term residential purposes, either as owner-occupied or long-term rentals. This clearly demonstrates that the long-term residential use is not only feasible in these complexes, it is already occurring. These units are supporting local households today, which demonstrates that a transition is both realistic and achievable. If no changes are made to Fiscal '26 tax rates or assessments, the County's real property tax revenue is projected to decrease by approximately 40 to 75 million annually. And this depends upon how the properties are reclassified as the TVR uses are phased out. A full transition of all units going to Owner-Occupied would result in a \$75 million real property tax decrease. If all units went to Non-Owner-Occupied, the reduction would be closer to 40 million. The Department currently estimates an overall reduction of about 61 million, which is closely aligned with UHERO's independent projection of the same amount...and this is if the Fiscal '26 tax rates remain unchanged. UHERO estimates that General Excise and Transient Accommodation Tax revenues together would decrease by approximately 15 million annually as a result of the phase-out. So, we estimate combined real property, General Excise, and Transient Accommodation Tax revenues would decrease by about 75 million. This impact would bring overall tax collections roughly in line with Fiscal '24/'25 levels. If no action were taken, the reduction could be reasonably absorbed within the existing budget, assuming stable assessments and no changes to real property tax rates. Alternatively, as previously noted, the shortfall could be offset through targeted tax adjustments. Either approach remains fiscally sound and viable. Real property tax rates and tiers are reviewed annually, and can be adjusted to align with the County's fiscal priorities. For example, targeted increases in the Non-Owner-Occupied classification can serve as a policy tool to encourage all vacant or second homes to convert to long-term residential use. So, even with a potential drop in revenue, which we are financially positioned to absorb, the gain in housing inventory offers a far more meaningful return, stability for local households, and a stronger foundation for our community. It is also important to note that over the past five years, the County has allocated 207 million to the Affordable Housing Fund. Although the Charter requires a minimum of 3 percent of real property tax revenues to be dedicated to the fund, the County has consistently averaged closer to 8 percent, reflecting a strong and sustained commitment to addressing the housing crisis. A more balanced housing market could eventually reduce the need for such high allocations. Expanding housing inventory will strengthen the County's fiscal outlook over time. More occupied homes means more stable property tax revenue, and fewer social and financial pressures tied to housing instability. Mahalo. And at this time, I would like to introduce Deputy Director of Planning Lillis, to share her remarks.

MS. LILLIS: Thank you. I'm going to be touching upon today enforcement as an alternative. As we took this bill through the planning commissions, a commonly referred to alternative to Bill 9 was to increase vacation rental enforcement. The Department understands that the public oftentimes sees many thousands of vacation rental

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advertisements online, which can, of course, be a concerning amount. However, under Mayor Bissen's leadership, on July 1st, 2023, the Department of Planning entered into a new contract for specialized vacation rental enforcement services through the vendor GovOS. This vendor software searches the Internet, removes duplicative advertisements, and with the help of our dedicated zoning inspectors, verifies if individual advertisements are lawfully operating. And so, from that contract, we saw that only about 30 enforcement cases for an illegal transient vacation rental was found. As of January 2025 of this year, we have only found one new transient vacation rental case. So, continuous monitoring of transient vacation rental advertisements remains a high priority for the Department, and it is working, but it has not led to a great deal of enforcement cases in actuality. Thank you. I'd now like to turn it over to Matt Jachowski, Executive Assistant to Mayor Bissen.

MR. JACHOWSKI: All right. So, I'm going to talk about a bunch of the data around housing affordability, home construction, and these rentals. So, you know, Bill 9 primarily is going to talk about bringing condos online for our residents, but the reason why we've been looking at condos is because the situation with our single-family homes is so out-of-control for our residents. In 2024, single-family home sale prices were at all-time highs. This isn't just all-time highs, but inflation-adjusted all-time highs. In West Maui, in 2024, the median single-family home price was \$1.9 million. That's more than 20 times what a family that lives in West Maui earns in a year. That's completely unaffordable to them. In South Maui, it's not much better, \$1.6 million for the median sale price. But this is not new. This is not a phenomenon of the past few years. This has actually been going on for at least 25 years, and it's made housing unaffordable for an entire generation that lives here on Maui. We can see this by looking at real property tax data, and look at how many sales every year, going back to the '80s, are affordable to our...to our typical families here. What we see is that in the '80s and '90s, 50 to 70 percent of all of our home sales were affordable to our median family. That means my parents were able to afford a home here when they bought their home. But if we look, in the past 25 years, we can see that number has plummeted, and it's been increasingly impossible for our families to afford to buy homes here...which is why so many of our families, younger families, currently live in the homes that their parents, and their grandparents, and beyond purchased. We can see that even as recently as the past five years, less than 10 percent of all home sales in Maui County are affordable to our median families. We talked about how affordability is worst [sic] in West Maui and South Maui, so let's look at that same graph, but also put the West Maui data up there. We can see that West Maui has always been less affordable than Maui County as a whole, but even in the '80s and '90s, it was still the case that 40 to almost 50 percent of all home sales were affordable to our local families. However, in the past 25 years, that...the number of affordable home sales has become vanishingly small, to the point where in the past five years, just 5 percent of all home sales every year--that's ten homes or less every year--that are affordable to our lower families. (*echoing*) The data for South Maui is pretty similar, so I'm going to fly through it here, but we can see that in the past five years, 4...just 4 percent of home sales are affordable to our typical families. So, let's talk about the possible solutions, and the most popular solution that people like to propose as an alternative to Bill 9 is construction. And construction is, indeed, an important solution to pursue, but the reality is, it's going to take so long that this is really just a solution for my grandchildren, and maybe even my

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great-grandchildren. So, again, we can go to real property tax data and look at home construction rates across the County going back to the '70s. We can see that in the '70s, '80s, '90s, and early 2000s, we were building 900 to 1,500 new homes per year on average. That...that was really growing our housing supply, and really contributed to housing being affordable to our families. But we can see that's really plummeted in the past 15 years, and we're building at historically low rates here in Maui County. Now, we need to zoom in on West Maui and South Maui again, where our housing crisis is worse, and we can see that really, housing was high in the '70s, and it's just dropped ever since then, to the point where in the past 15 years, we're building fewer than 90 new homes per year in West Maui and South Maui. On top of that, in addition to building extremely few homes in West Maui and South Maui, most of those homes do not end up housing our residents. So, we can look at all those new homes that have been built in the past 15 years, and we can say, are you owner-occupied now, long-term rental, non-owner-occupied--so it's like a second home or a vacation home--or a short-term rental? And we find that just 40 percent of these new homes we've built in both West Maui and South Maui are currently housing our residents. That's so important, I'm going to say it again. In West Maui and South Maui, just four out of ten of the new homes we're building house our residents. So, Bill 9 proposes to phase out 6,000 transient vacation rentals and have them become resident housing--2,200...2,275 of those units are in West Maui. It would take 30 years at current construction rates to build that many new homes in West Maui. That's not even accounting for the fact that we need to rebuild Lāhainā first. If we take into account that only 40 percent of those homes are going to go to our residents at current owner-occupancy rates, it's going to take 73 years to build enough homes for our residents. South Maui's even worse. Bill 9 proposes to convert almost 37 home...3,700 homes in West Maui, which would take 79 years to build at current construction rates, and an almost absurd 208 years to build, if you account for the fact that only 40 percent of those homes are going to go to our residents. So, where that leaves us is, the only other solution that's really on the table, which is the TVR phase-out, and that's the only solution been proposed that's...that can actually make progress on our housing crisis. The reason why we're talking about this...Maui has about 13,000 transient vacation rentals. Let's put that into a global context. The UHERO report, which we're going to talk more about coming up here, cites Los Angeles, Boston, Barcelona, and London as global tourist destinations that have all identified transient vacation rentals as reducing resident housing inventory and increasing housing costs, and they all have economic studies to back this up. It's all cited in the UHERO report. In each of these cases, transient vacation rentals represent just 1 to 3 percent of their housing supply. In Maui County, transient vacation rentals are 21 percent of our housing supply. So, Maui County's in a totally different category here in terms of the impact they have on our housing market. We can also look at how Maui stacks up against the other counties in our State. So, here, we don't have exact numbers of transient vacation rentals on every island, but what the State Department of Business, Economic Development, and Tourism does is, they...they scrape Vrbo, and Airbnb, and the booking platforms, and find how many actively-listed vacation rentals there are on each island. They find that in Maui County, we have about 10,000 actively-listed short-term rentals on a given day. That's about 14 percent of our housing supply. Just for comparison, the City and County of Honolulu, which is much larger, has many more housing units. They have fewer short-term vacation rentals, and those rentals only represent 2 percent of their housing market, right? So, is there any good

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reason why Maui needs to be so...have so many more vacation rentals, both in absolute numbers and relative numbers, than any other county? After we remove...if Bill 9 passes and...and we phase out about half of these short-term vacation rentals, Maui County goes from becoming the third largest county with the most vacation rentals to becoming the third largest county with the third most vacation rentals, right...right in line with the other...the other counties. These units are located where the housing crisis is worst, and that's really important, right? Here's just a map of where all the units are. We all know they're in West Maui and South Maui, predominantly. These units have a history of resident occupancy. So, real property data, in 1993, started actually tracking owner occupancy, so that's how far back we can go, but we can see that historically, we've had over 80 percent of these complexes with owner occupants...and that's dropped in recent years, but it's still very high. These units are appropriately sized. This is misinformation that is often cited by opposition to this bill, that these...that no one wants to live in one- and two-bedroom units. That's not true. 91 percent of these units are one- and two-bedroom units. Well, we just had a big natural disaster in Lāhainā, and in fact, there was a huge housing effort to house all the families that needed housing. Data independently collected from FEMA's housing programs, from the Council for Native Hawaiian...Council for Native Hawaiian Advancement's housing programs, and Maui Hale Match, which is the housing program I built as a website, all found that one- to two-bedroom housing was the highest demand housing for our displaced families in West Maui. Furthermore, we can look at U.S. Census Bureau data, the most recent American Community Survey. They find that 72 percent of all Maui households are one- to three-person households. These are perfect-sized households for one- to two-bedroom condo units. Okay. This is the big one. Bill 9 improves condo affordability. And that's...we're going to reference a lot of the UHERO report here, but before I go there, let's just set the baseline. Before Bill 9, condos are already the most affordable market-rate housing on Maui. So, we started off by talking about how unaffordable single-family homes on Maui are. So, I'm going to show, for West Maui specifically here, this blue bar is how many...the blue bars are how many single-family home sales were affordable every year, and the orange bar is the percentage of affordable condo sales every year. The important thing here is that the orange bars are all higher. Every single year, we have significantly more condo sales that are affordable to our families...because condos are cheaper. And in particular, we need to look especially at the most recent years, where we can see that as early as 2000 and 2010, 40 to 50 percent of all condo sales were affordable to our families. Okay. Here's the biggest takeaway from the UHERO report. This is a direct quote. "We project that condo prices on Maui will decrease by 25 percent by 2027. Therefore, affordability would improve because prices decrease more than incomes." So, they're saying that not only will these Bill 9 condos become significantly more affordable, but all condos on Maui will become significantly more affordable. Let's...let's see how they break that out. They...they looked at the carrying cost of one of these Bill 9 condos, including mortgage, insurance, maintenance, HOA fees, and taxes, and they said pre-phase-out, the carrying cost of one of these units is \$5,800 per month. They're saying post-phase-out, that becomes \$4,600 per month, right? So, that's the impact of being able to use these units as a TVR. It inflates the prices by over \$1,200 per month, or over 20 percent. Now, there's every reason to believe that if these units become resident units, that these prices would go down even more, right? Because owners...or actual residents here don't necessarily want things like resort-level landscaping that cost a lot of money. So, if we

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look at the UHERO numbers, though, and the numbers they cite in their report, they say that 21 percent of our families, or over 11,600 households, will be able to comfortably afford these units. But actually, many of our families here on Maui cannot comfortably afford the units they live in right now, right? It's called cost burden. If you spend more than 30 percent of your income on housing, or 50...or...and less than 50 percent of your income on housing, you're cost burdened. So, let's consider those people in this analysis, too. UHERO says there's an additional 15,500 households more that would be in this cost burden category who could afford these units. Adding this together, combined, these units could be attainable to 49 percent of all households on Maui. That is much-needed by our families. Okay. Nothing's free, so let's address some of UHERO's concerns. They say we're going to have 32 percent fewer tourists, potentially, if we do Bill 9. Let's talk about that in the context of the Maui Island Plan. I think you guys are all familiar with this. One of the main tenets of the Maui Island Plan is that we should be leaving our visitor-to-resident ratio at 1 to 3...on an average day, one visitor to every three residents. This isn't a number pulled out of air. This is actually from collecting feedback from residents for five years--five years of research--and this was adopted by the County in 2012. Well, let's see, where were we? 2023, pre-fire, we were at a 44 percent visitor-to-resident ratio. That's one visitor to every 2.3 residents. I would call that over-tourism. Post-phase-out, if UHERO's prediction becomes correct, that ratio drops to 30 percent visitor-to-resident ratio, or one visitor, 3.3 residents, which is exactly where we're supposed to be, according to the Maui Island Plan. They also talk about how total visitor spending will decrease by 15 percent. And the way they broke that out, they said the typical visitor spends \$310 per day. That's split between lodging and non-lodging expenses. 174 of those dollars is on lodging. That's more than half. So, 56 percent of this lost visitor spending will be on lodging revenue. Well, what we can do is, we can look at the owners of all of these Minatoya transient vacation rentals and say, do you actually live on Maui County, right? Are you a long-term renter or an owner here in Maui County? 94 percent of the owners of these units are not, okay? So, what does that mean? 94 percent of the lost lodging revenue will be lost by our non-resident owners, not our residents. Why is that important? That's important because, yes, they're going to pay some amount to their cleaners, but there's going to be a hefty booking fee taken by Airbnb, or Vrbo, or whoever they're using...that's not going to stay here on Maui. And they're going to take a significant chunk of this money away from Maui with them. So, this means much of this lost lodging money was never going to stay on Maui anyway. So, UHERO's probably correct, that we're going to lose, you know, a significant amount of revenue, but we have to remember that not all that revenue was going to stay and circulate in our community in the first place. The very last point I want to talk about here is water. So, there's two properties on...in Apartment-zoned districts. They're like sister properties. One was built right before the Minatoya cut-off, so it's allowed to have TVRs...the other one was built right after the Minatoya cut-off, so it's not allowed to have TVRs. But otherwise, they look very similar, and they were developed by the same people, and they have the same mix of units. Property 1, which allows TVRs, 97 percent TVRs, their average unit uses 570 gallons of water per day. Property 2, which is 74 percent non-owners and 26 percent residents, uses an average of 128 gallons per day. Now, we can't do a naïve comparison of these two numbers because non-owners aren't here all the time. But if we take that into account, what we find is that TVRs in these two complexes use 60 to 120 percent more water than our resident condos use across the course of a year. Why is that important?

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That's important because literally, the lack of water is blocking new housing from being developed. I think we all know, for example, about the Pulelehua Project in West Maui, which cannot move forward because there's not enough water. So, what does this mean? If we were to convert 6,000 of these TVRs into resident housing, we wouldn't just get 6,000 new resident homes, but we would free up excess water for 3,600 to 7,200 additional resident homes. So, in summary, right, Maui desperately needs more resident housing, and the TVR phase-out is the only solution on the table that accelerates this housing by decades. Mahalo.

UNIDENTIFIED SPEAKERS: *(Applause)*.

CHAIR KAMA: Mayor, do you have any closing?

MR. BISSEN: Mahalo to all of our presenters. As Mayor, my responsibility is always to put the greater good of our people first. Housing is not a speculative...speculative asset, it is a basic human need. And when the balance is tipped so far that our residents become outsiders in their own neighborhoods, we have a moral obligation to act. Councilmembers, today you may hear passionate opposition from property managers, non-resident owners, and booking platforms. You may also hear from some of the 268 local owners who represent 6 percent of the approximate 6,000 TVR units that are impacted. But you may also hear from rent-burdened, hard-working families, from kūpuna on fixed incomes, and from displaced Lāhainā residents, some still in temporary housing, who are holding on to hope that their future will lead them to a place they can call home. Addressing this crisis will require the collective kuleana of our entire community, and it starts right here with us. We cannot continue doing what we've always done and expect a different outcome. The status quo is failing our people, and this housing crisis demands bold, decisive, and forward-thinking action. As leaders, we are not just observers of the future, we are shapers of it. So, I ask, what is the value of keeping our people here in the only home they've ever known? Now, while Maui County may be financially sound and well-resourced, can we truly say we are thriving as a community if our own people--our 'ohana, our kūpuna, and our keiki--are being priced out of their own community? Even the chance to give our people hope is worth more than preserving a system that has pushed them to the margins. This crisis has been building for decades, but now we have a real and tangible opportunity to change its course. Our people are hurting, and we must act, not with hesitation, but with the courage that leadership demands. Bill 9 is more than a policy, it is a promise to our people--a promise to restore balance, to protect our residents, and to put our community first. As we move forward, I ask everyone engaging in this conversation to remain respectful, and recognize that while this bill impacts more...some more than others, it offers hope and healing to many who have gone far too long...who have gone without far too long. Let us continue to lead with aloha in our words, our actions, and our commitment to one another. We humbly ask that this Council advance Bill 9 out of Committee, and support its passage. Mahalo to everyone.

UNIDENTIFIED SPEAKERS: *(Applause)*.

CHAIR KAMA: Mahalo, Mayor and your team, for your presentation. And I want to say thank you for keeping to the time. I really appreciate that, Matt, and I know you were rushing

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and talking really fast, but I appreciate that. So, thank you so very much for being here. Members, we're going to hold our questions until after all the testimonies have been said. So, at this time, I want to take a five-minute recess to allow the Mayor and his team to leave, and get through the galley [sic], and then we'll reconvene and we'll start our testimonies. So, it is now 10:43. We're going to take a five-minute recess. We will reconvene at 10:48. We're now in recess. . . .(gavel). . .

RECESS: 10:43 a.m.

RECONVENE: 10:56 a.m.

CHAIR KAMA: . . .(gavel). . . The HLU Committee meeting of June 9th will now reconvene. It is now 10:56 a.m. At this time, I want to be able to have some consideration. I was approached to see if we could get the members of the galley [sic] to testify first before the members who are online, and so I had to check with Corp. Counsel. So, Corp. Counsel, would you please respond to my request? Oh, sorry. Oh, let's go Carla first, and then you. Okay. Sorry.

MS. NAKATA: Chair, thank you. Technically, our online meetings link...

CHAIR KAMA: I think you have to speak louder.

MS. NAKATA: Technically, our online meetings link is our actual meeting site. We integrate, based on a first-come, first-served basis, people who have signed up to testify in the Chamber, as well as those who have signed up to testify online. So, we would not recommend prioritizing one group over the other. Thank you, Chair.

CHAIR KAMA: Okay. Mr. Nahulu [sic]?

MR. NUNOKAWA: I would defer to --

CHAIR KAMA: Okay.

MR. NUNOKAWA: -- Attorney Nakata --

CHAIR KAMA: Okay.

MR. NUNOKAWA: -- in this matter.

CHAIR KAMA: Thank you. Thank you. Okay. So, I just want to let you know we tried, but we have some Sunshine Laws that we have to adhere to. . . .(laughing). . . Okay. So, we're going to take public testimony. So, for Microsoft Teams participants logged in via web or the Teams app, please indicate that you would like to testify by clicking the raise-your-hand icon in the top right of your window, and Staff will add your name to the testifier list. If you are joined by telephone, star-5 will raise your virtual hand, and Staff will put your name on the testifier list. Please keep your audio and video muted until you are called to testify. Written testimony is encouraged, and can be submitted via the eComment link at mauicounty.us/agendas. Oral testimony is limited to three

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minutes per item. When you reach the two-minute mark, you will hear an audible noise. If you are still testifying when the notice sounds, please complete your testimony within the remaining minute. Given the volume of expected testimony, I'll have to hold all of you firmly to those many limits. When testifying, we ask that you state your full name for the record. Anonymous testimony is also accepted. Decorum will be maintained throughout the meeting. Violation of decorum may result in being removed from the Chamber or the online meeting. And again, this is a public space, and must be a safe space for all voices to be spoken and heard. I am believing that we will conduct ourselves in a professional manner, and I will enforce the rules of decorum only when a testifier breaks decorum. A testifier will be reminded the first time I see that the rules of decorum have been violated. Any additional reminders, I will then direct Staff to silence the microphone, and your testimony time will be considered complete. You can also view the meeting on *Akakū* Channel 53, Facebook Live, or mauicounty.us/agendas. Members, the purpose of clarifying questions is just that...clarifying what the testifier stated. It's not an opportunity to effectively extend the time allotted to them by asking them to elaborate on their testimony, and it is definitely not time to engage in a debate with the testifier. Our meetings will be long, and I would like us to be efficient with our time. Thank you all for your cooperation. So, at this time, I'd like to call on the testifiers wishing to testify.

COUNCILMEMBER PALTIN: Chair, can we --

CHAIR KAMA: Yes?

COUNCILMEMBER PALTIN: -- get a sample of the sound, and make sure that the guys online --

CHAIR KAMA: Sure.

COUNCILMEMBER PALTIN: -- can hear it?

CHAIR KAMA: Okay. The sound? Are you operating sound, James?

COUNCILMEMBER PALTIN: And is it the same sound for two minutes and three minutes?

CHAIR KAMA: It should be. . . .*(timer sounds)*. . . Is that loud enough? Okay. Good. So, who's doing our testifiers? You are, Ellen?

MS. MCKINLEY: Yes, Chair.

CHAIR KAMA: Okay. Thank you. So, will you please read off the first three --

MS. MCKINLEY: Yes.

CHAIR KAMA: -- testifiers so they can start getting ready wherever they are in the Chamber? Thank you.

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MS. MCKINLEY: Chair, the first testifier is Eve Hogan, to be followed by Steve Hogan, and Richard Hudson.

. . . BEGIN PUBLIC TESTIMONY . . .

MS. HOGAN: Good morning, Council, and aloha. Thank you. I'm Eve Hogan, and I don't even really want to talk about vacation rentals because you've heard it all before, and you're about to hear a whole lot more about it. But you already know the math doesn't make sense on this bill, and it's not a good solution to the housing problem. Instead, I'm going to talk about trust in our government. Trust that when a Mayor or a Councilperson says they support vacation rentals as an important part of the economy when they're running for office, that they are telling the truth. Trust that when, before buying a condo, the Director of Planning assures us that it's a legal use to operate it as a vacation rental, and that it is also the truth, and that that right won't be taken away. Trust that the government is fair, and to the best of its ability makes laws to support all of its citizens, not just some of them. With this Administration, we are repeatedly seeing the government trying to take away previously legally-permitted businesses, like food trucks on Ag land. We spent all day in Council the other day trying to right that wrong. Emotionally, I understand the hope of this bill. I truly do. But logically, it makes no sense. If there was any way that an oceanfront condo with AOA fees, high mortgages, high insurance, and special assessments equaled affordable housing, and didn't simultaneously destroy other people's lives, legal businesses, and trust in government, well, okay...but that's not the case. Even the \$4,600 amount that the Mayor's Assistant quoted is not an affordable amount for a one-bedroom condo.

UNIDENTIFIED SPEAKER: That's what they're paying . . . *(inaudible)* . . .

MS. HOGAN: I read recently, and heard Mayor Bissen again say today that he didn't mean to cause the unintended consequences of dividing the community and hurting relationships between Maui's citizens, but that unintended consequence is blaring *[sic]*. This bill has pitted residents against residents, and it has been heartbreaking to see and experience. I implore you to give us cause to trust the government permitting process, and to trust that you all think about the very real unintended consequences that are caused by your words, actions, and laws before you make them. I implore you to use creativity to implement solutions that serve our entire community, and bring us back together...solutions that will actually solve the very real problems we face, and the ones that have been created by this bill. Thank you.

UNIDENTIFIED SPEAKERS: *(Applause)*.

CHAIR KAMA: Members, questions for the testifier?

COUNCILMEMBER PALTIN: Not for the testifier, but I thought you had said that there was going to be a sound at two minutes and at three minutes, and it was going to be the same sound.

CHAIR KAMA: Go ahead.

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MR. KRUEGER: Oh, apologies, Chair. That was meant for the online testifiers, but for the in-person testifiers, we have the limitimer going, but we can ring the bell. We can ring the same bell for both testifiers then.

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: Oh, I...I'm not trying to tell you what to do. I just wanted --

CHAIR KAMA: No, no.

COUNCILMEMBER PALTIN: -- to clarify.

CHAIR KAMA: Thank you.

MR. HUDSON: Rich Hudson, resident. Okay. Says in the Bible...

UNIDENTIFIED SPEAKER: Name please.

MR. HUDSON: Rich Hudson.

CHAIR KAMA: No, I think we're at Steve Hogan.

COUNCILMEMBER SINENCI: They're...they're calling the...Steve Hogan.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . . off a list.

MS. MCKINLEY: Chair, the next testifier is Steve Hogan, to be followed by Richard Hudson.

MR. HUDSON: Steve.

UNIDENTIFIED SPEAKER: They'll call your name when it's time.

MR. HUDSON: Okay. Whoops.

MR. HOGAN: Aloha, Maui County Council. My name...my name is Steve Hogan, as has just been mentioned a couple times. My wife and I are both in our 60s. I'm in my later 60s. I came here 45 years ago with \$600. I built a business. I employed people. I've worked hard, and I've saved and invested. We...we've been able to help others. We house people for free, and that's because we've been able to have a vacation rental and that type of business. After dealing with health issues, including my wife's cancer and the pandemic, as I said, we've invested in the rental business to support our family, those employees, their families that depend on us. I'm opposed to this bill. It's pretty self-explanatory. Since the fires, the messaging has been at levels of government, social media, and other media and individuals have basically shouted, tourists are not welcome here. And now the Federal Government is adding to that with tariffs that are destroying an already fragile government here, and worldwide. I urge you to not add to this devastation at the local level, especially when the proposed solution will not

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translate into affordable housing. Even with the current reduced values of condos, locals are not rushing out to buy them...because they're not affordable. HOA fees, utilities, it's been said before, mortgages, insurance, special assessments, which is a big one...these condos are far more expensive than what the average resident can afford. Currently, a one-bedroom condo at \$650,000 costs \$7,000 in expenses, and I'm not making these numbers up. The...the support of this bill has stated that we prioritize...or the supporters have stated that we're prioritizing profit over people, which is...just is not true. We are prioritizing wisdom over wishful thinking, and math over emotions. We are...and we are considering all the people. Decimating some parts of the community in the unrealistic hopes of helping another part of the community, and it makes no sense. The bill is not affordable, and will not achieve the desired result. The bill hurts families who are property owners. . . .(timer sounds). . .

CHAIR KAMA: Thank you, Mr. Hogan.

MR. HOGAN: Thank...thank you.

CHAIR KAMA: Members, questions? Mr. Hogan, we have a question for you --

MR. HOGAN: Yes. Yes, ma'am.

CHAIR KAMA: -- from Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Hogan, for your --

MR. HOGAN: Yes.

COUNCILMEMBER PALTIN: -- testimony. I was wondering if you could clarify how many short-term rental units you own?

MR. HOGAN: The...in the Minatoya list, I own three.

COUNCILMEMBER PALTIN: Three. And when...

MR. HOGAN: And each...can I add to that? Each has a mortgage, which I...I pay a lot of money for.

COUNCILMEMBER PALTIN: I think it'll go faster if you don't add to that.

MR. HOGAN: Okay.

CHAIR KAMA: Yeah.

MR. HOGAN: Well...

COUNCILMEMBER PALTIN: And then I was wondering, when you purchased those units, was the realtor...did they explain to you that this is not a legal use anymore?

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MR. HOGAN: No, they never did because it's never been an illegal use. This bill would create that.

COUNCILMEMBER PALTIN: Who...who was your realtor that sold you these units?

MR. HOGAN: I don't see the relevancy in that, and I'm...I'm not going to disclose their names. I'm disclosing my name. I don't need to disclose theirs.

COUNCILMEMBER PALTIN: Okay. Because it's a grandfathered use, it's not legal going forward --

MR. HOGAN: I don't agree --

COUNCILMEMBER PALTIN: -- and that should have --

MR. HOGAN: -- with that assessment.

COUNCILMEMBER PALTIN: -- that should have been disclosed.

MR. HOGAN: Grandfathered --

COUNCILMEMBER PALTIN: Okay. Thank you.

MR. HOGAN: -- and illegal are not --

CHAIR KAMA: Thank you, Member Paltin.

MR. HOGAN: -- the same thing.

CHAIR KAMA: Thank you, Mr. Hogan. Mr. Hudson?

MR. HUDSON: Am I on?

CHAIR KAMA: Yes.

MR. HUDSON: Well, okay. Let's go to the Bible. There's a scripture in the Old Testament that says, hey, if you're going to build your house, don't build it on sand. Now, you may ask yourself, what does this have to do with our current plight? Well, let's face it. What's the nature of an investor? They invest either in real estate or the stock market. Why? To make a profit. And some of those real estate investments can be very risky. This one is. Why? Because there's a question right from the get-go of its legality and that standing. And secondly, if these investors had looked at the data even ten years ago, they would have noted that there was beginning to be a question about these communities that depend on tourist industry for its sustenance to have these short-term rentals, which tend to be parasitic on the local economy and, quite frankly, destructive. They're not good investments, right? So, you're going to hear the opposition, those people that own these condos, coming in and giving you sob stories and bringing tears to your eyes because they made bad investments. And I'm telling you this. As a board,

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is it your responsibility to be their mommy and daddy, and bail them out of a situation that they put themselves into? And I'm serious about that. . . .(timer sounds). . . The truth of it is, in investments, if you invest in anything and it goes south, you take your lumps and move on. You don't go and say, oh, I made a bad investment, help me out, help me out. I'm going to lose my dog, Spot. We'll have to move off the island. You mean like our Native Hawaiians, who en masse had to move out when their houses burned down? Oh, well, they're Hawaiians, huh? Yeah. And it's great, sad tragedy when one of those cats has to move out. Give me a break. What I'm saying to you is this. It's fair and simple. They're investors. They made a bad investment. They overextended themselves, some of them. You've got a million-and-a-half-dollar property, you make \$60,000 a year, and if it goes south, are you going to be able to keep that . . .(timer sounds). . . property? No. Thank you.

CHAIR KAMA: Thank you, Mr. Hudson.

UNIDENTIFIED SPEAKERS: *(Applause)*.

CHAIR KAMA: Questions for the testifier? Members of the galley [sic], if you would not applause [sic] after each testifier, whether you support, don't support. We're having to run a tight ship. There are 55 of you that signed up in the galley [sic] to testify. We have many online. So, we'd like to be able to get through our meeting expeditiously. And we want to be able to make sure the Members can ask clarifying questions of them. So, if you could please hold your excitement at least until . . .(laughing). . . when it's all done. But thank you.

MS. MCKINLEY: Chair, the next...

CHAIR KAMA: Ellen...yes.

MS. MCKINLEY: Chair, the next testifier is Donna Ting, to be followed by Susan Halas, and then Aaron Kelling.

MS. TING: Good morning.

CHAIR KAMA: Good morning.

MS. TING: My name is Donna Ting. I am many generations in Hawai'i. My grandchildren go to Kamehameha Schools. Our family owns apartment buildings in Kihei and elsewhere. I rent to local people. I am the second largest recipient of private funds from HUD every month. So, my people are long-time renters. Okay. And I keep them, and I keep the rents low. But what you have to understand is that in the last few years, taxes have gone up on my apartment buildings. I don't get a break, even though they're long-term rentals, not like my single family. I get no break at all. Whatever it was assessed at, that's the tax that I pay. Okay. I try to keep my property affordable for people. The buildings that you're talking about with Minatoya were built in the '70s, '80s, and '90s. And there is a thing called diminishing use. Those buildings have, in many cases, bad plumbing, crumbling walls, seawalls issues. They are not...they were never built, okay, for a resident long-term. They were built for rentals, for vacation rentals. And our

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Governor, Josh Green, in Honolulu, took care of the housing bill...took care of the housing situation over there. He got State land, and he built different housing areas for people on State land. because the cost of land and...and to get the utilities to the land is very expensive. We did one of two affordable housing units last year in Kihei. There were only 40 units, and they were considerably under the market. We sold . . . *(timer sounds)*. . . we sold them through the County. Okay. It was very difficult with all the laws. We don't need more laws. We need less bureaucracy. And I'm against this bill because it doesn't answer the...the question. It...it does not provide housing on a long-term basis. Or in some cases, when you have maintenance fees that are \$1,800, that doesn't include property taxes, special assessments, anything else. How are the local people going to afford to do that? It would be better to do what Josh Green did, use State land. Thank you.

CHAIR KAMA: Members, questions? Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Ting, for your testimony. And thank you for renting to long-term renters. I wanted to clarify the part where you said that when you rent to long-term renters, you don't get a break.

MS. TING: I...

COUNCILMEMBER PALTIN: Is that what you said?

MS. TING: Yes, I don't. Okay. So, my...my individual houses, you fill out the form, you send it in. Okay. So, for our apartment building, all of my people rent at least a year. I don't rent short-term at all. I don't get that break. They sent the paper...the County tax office sent the papers back to me and said, you don't get a break. It's considered apartment. You don't get a break. So, I don't get a break. So, my family eats that. Okay. Because my people, they're the...this is the core of Maui County. We don't move if we don't have our people.

COUNCILMEMBER PALTIN: Thank you. I believe the Apartment rate is the same as the Long-Term Rental rate; Is that...

MS. TING: No, it's 3.50...

COUNCILMEMBER PALTIN: Oh.

MS. TING: Checking the thing yesterday, it was 3.50/1,000. No.

COUNCILMEMBER PALTIN: Okay. Thank you.

MS. TING: That's...yeah.

COUNCILMEMBER PALTIN: Thank you.

MS. TING: Okay.

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CHAIR KAMA: Thank you.

MS. MCKINLEY: Chair, the next testifier is Susan Halas, to be followed by Aaron Kelling, and then Timothy O'Shaughnessy.

MS. HALAS: I'm Susan Halas, and I'm going to yield at this point.

CHAIR KAMA: Okay.

MS. MCKINLEY: Chair, the next testifier is Aaron Kelling, to be followed by Timothy O'Shaughnessy, and then Mike Kessler [sic].

MR. KELLING: Hello. My name is Aaron Kelling, and I live, work, and vote here, and oppose this legislation. We own a local property management with almost 50 condos, 17 employees, plus contractors. I also personally own many of the condos that we manage, and this bill has hit us very hard. The Mayor, just by proposing this legislation, has already had a major impact on our local economy and our business. After the fires, we've lost 45 percent of our business, and this continued negative rhetoric has further fueled uncertainty, and caused a further 55 percent loss in revenue, on top of the 45 percent after the fires. Turns out when you tell visitors not to come to Maui, they listen. Whether you like it or not, our island is a tourism economy. Other business owners that I've talked to experience the same thing, saying that it is a 20-year low. Many owners won't testify, in fear of retaliation. After I testified last time at the Committee meeting, someone came up to me afterwards and said, I'm going to come and burn your house down, and they were part of Maui Strong. I completely...

UNIDENTIFIED SPEAKER: . . .(inaudible). . .

CHAIR KAMA: Members, please.

MR. KELLING: Please.

CHAIR KAMA: The galley [sic].

MR. KELLING: I completely sympathize with the housing shortage, and agree that condos and apartments that were built as long-term housing should go back to the community. When I purchased my condos, personally, I bought them in communities that were clearly short-term rentals. The documentation in the original intent when they were built showed that they were built as vacation rentals, and it says...from the Real Estate Commission clearly says, these are built as apartments for use for hotel and transient purposes. This is clear as it gets, but we still don't have hotel zoning. One other really important fact that I'd like to bring is that the Mayor says that by implementing this legislation, that it would bring the housing down by 40 percent for these condos. We've already seen more than a 40 percent reduction in the cost. I have had a condo myself on the market for over a year since this was proposed, and it's gone more than 40 percent down. And for a year, we've had zero showings, and no one is interested in purchasing the condo, even though it's come down the 40 percent that everyone's requested, right? So, I can't . . .(timer sounds). . . sell the condo. With...there's over

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1,000 condos on the market currently, and valuations have gone down 40 percent or more. Even at a 75 percent reduction, a one-bedroom condo would still cost, using your figures, \$4,600 a month, which, per your data, right?...is still totally unaffordable. So, this legislation doesn't have the impact or outcome that the Mayor's looking for. Please, please oppose this legislation, and bring back tourism so we can all afford to stay employed. Thank you.

CHAIR KAMA: Members, questions for the testifier?

MR. KELLING: Yeah, please.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Kelling, for your testimony. Just wanted to clarify some points on the testimony that you gave. How many short-term rentals did you say you owned?

MR. KELLING: I own six. We manage 47.

COUNCILMEMBER PALTIN: And then, the one --

CHAIR KAMA: Quiet in the galley [*sic*] please.

COUNCILMEMBER PALTIN: -- that you have listed on the market, what...what unit is...I mean, what complex is it a part of?

MR. KELLING: Kauhale Makai.

COUNCILMEMBER PALTIN: And you're saying that the six that you own are all Apartment-zoned?

MR. KELLING: They're all in Kauhale Makai.

COUNCILMEMBER PALTIN: Oh. And...

MR. KELLING: And in...in the documentation, when I purchased it, it said these were advertised and sold as vacation rentals.

COUNCILMEMBER PALTIN: And did your realtor disclose that they were in the A-1, A-2 zoning, and that they had been carried over, legacy use of short-term rental?

MR. KELLING: Yes.

COUNCILMEMBER PALTIN: They did disclose that?

MR. KELLING: They disclosed that this was on the Minatoya list, and that it was approved for short-term rental, and supplied the documentation from the original sale that shows that this is Hotel-zoned.

COUNCILMEMBER PALTIN: Do you --

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MR. KELLING: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: -- remember what years you bought these on, the six?

MR. KELLING: I bought them over the...several years. I bought some eight, nine years ago. I bought one two years ago.

COUNCILMEMBER PALTIN: Thank you.

CHAIR KAMA: Any other...

MR. KELLING: Any other questions?

CHAIR KAMA: Yes, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Just...mahalo for your testimony today. I just wanted to clarify that response that you gave Member Paltin. You said that when you bought, you did your due diligence, and the zoning was Hotel?

MR. KELLING: It specifically states in the original documentation, as advertised when they were built, that they were sold originally as specifically--and I have the documentation, and I'm happy to provide it to you--and it says for hotel or transient purposes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. KELLING: And this came from the Real Estate Commission of Maui.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, I see, I see. So, not the zoning itself, just the advertisement said hotel?

MR. KELLING: The documentation from the Real Estate Commission that was signed says that it was for hotel purposes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for that clarification. Mahalo, Chair.

CHAIR KAMA: Thank you. Any other questions? I have one, sir.

MR. KELLING: Yeah.

CHAIR KAMA: The last place you testified, you said it was at...was it the Planning Commission?

MR. KELLING: Correct.

CHAIR KAMA: And it was at that place that you felt threatened...or were threatened?

MR. KELLING: No. It was at a restaurant --

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CHAIR KAMA: Oh.

MR. KELLING: -- about three months later. And someone came up to me, and they said that they saw my testimony, and they disagreed with what I was saying, and they were going to burn my house down.

CHAIR KAMA: Okay.

MR. KELLING: It's very upsetting.

CHAIR KAMA: Yes. I can...

MR. KELLING: And very concerning.

CHAIR KAMA: Yes.

MR. KELLING: The rhetoric is...is too much.

CHAIR KAMA: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR KAMA: Thank you very much.

COUNCILMEMBER RAWLINS-FERNANDEZ: One more quick clarification. So, you said that the person that threatened you belonged to Maui Strong.

MR. KELLING: Correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: How did you come to that conclusion?

MR. KELLING: Because they said so.

COUNCILMEMBER RAWLINS-FERNANDEZ: They said, I am with Maui...what did they say?

MR. KELLING: They support Maui Strong, is what the exact words were.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for that clarification. Mahalo, Chair.

MR. KELLING: I don't know how else you'd say it. Yeah.

MS. MCKINLEY: Chair?

CHAIR KAMA: Yes.

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MS. MCKINLEY: Should I go ahead? Chair, the next testifier is Timothy O'Shaughnessy, to be followed by Mike Kessler [sic], and then Paul Zarubin.

MR. O'SHAUGHNESSY: Thank you, Council Chair and Committee...or Committee Chair and Councilmember...or Committee Members. My name is Tim O'Shaughnessy. I'm a ten-year resident on Maui, and I do oppose Bill 9. The Maui economy is a living, breathing thing. It is what gives life and prosperity to the body of our Maui community. Without a healthy, strong, robust economy, a community body can be crippled, and very soon, wither and die. In its present form, Bill 9, by its one-size-fits-all ban of short-term rentals, stands for the injection of a form of cancer into the Maui County that has already, through we-don't-want-you publicity, weakened and continued to damage our local economy...an economy which is, and has always been, tourism. We are not O'ahu. O'ahu's diversified economy provides employment through healthcare, education, universities, militaries, and sundry other job producers in addition to tourism. We're also not Barcelona. We're not London. We're not New York. We're not Florence. We're not any of those places that have very large economies. So, in that respect, you know, we're all entitled to our opinion, but we're not entitled to opinions that are based on our own private facts. I lost my place. . . .(laughing). . . . Anyway, there...the other thing I want to say is, the recent UHERO study, which I've read and gone through, and, you know, together with the implementation of Bill 9 in its present form, has and will bring, as it states, the possibility of economic recession to Maui. And I might say also in . . .(timer sounds). . . . addition that the UHERO study was done before President Trump's big, beautiful bill was announced. That's the bill...that's the bill that will cut approximately \$1.1 trillion for Medicaid and food assistance that possibly many of our Maui community and families may depend on. So, I just want to say that recession, if recession comes, it'll come with the erosion of families that are deprived of economic opportunity resulting from the threat of, you know, Bill 9's ban. The bottom line is, we need to recognize that without a healthy, sustainable economy, jobs disappear, and available housing, affordable or otherwise, becomes irrelevant because without employment, do you really need a house? . . .(timer sounds). . . . I want to thank you.

CHAIR KAMA: Thank you very much, sir. Questions, anyone?

MR. O'SHAUGHNESSY: Questions, applause, anything?

CHAIR KAMA: No. Oh, Member Rawlins-Fernandez has a question.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR KAMA: Members of the galley [sic], please settle down.

MR. O'SHAUGHNESSY: Yeah. I...you know...

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo...mahalo for your testimony. I have a question.

MR. O'SHAUGHNESSY: Yeah. I...I apologize...

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COUNCILMEMBER RAWLINS-FERNANDEZ: My clarifying question is...

MR. O'SHAUGHNESSY: I just apologize. In the morning, I'm not good because I'm diabetic. So...but anyway, go ahead. So, that's why I'm kind of wavering.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay.

MR. O'SHAUGHNESSY: Hit me.

COUNCILMEMBER RAWLINS-FERNANDEZ: . . .*(laughing)*. . .

MR. O'SHAUGHNESSY: What do you got?

COUNCILMEMBER RAWLINS-FERNANDEZ: Figuratively, of course. . . *(laughing)*. . . I'm sorry. How many units do you own on the Minatoya list?

MR. O'SHAUGHNESSY: I have a partial interest in six units.

COUNCILMEMBER RAWLINS-FERNANDEZ: And where...six units. And your --

MR. O'SHAUGHNESSY: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- units are located where?

MR. O'SHAUGHNESSY: They're in Kauhale Makai. And I also have recently been appointed the...well, elected as president of the AOA board for Kauhale Makai, which keeps me so busy that I had to leave my position on the board of the Maui Humane Society. So, what else you got?

CHAIR KAMA: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Last question.

MR. O'SHAUGHNESSY: Yes, ma'am.

COUNCILMEMBER RAWLINS-FERNANDEZ: When buying those units, were you made aware that it was in the Apartment District, and...

MR. O'SHAUGHNESSY: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. O'SHAUGHNESSY: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Those were --

MR. O'SHAUGHNESSY: Yeah.

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COUNCILMEMBER RAWLINS-FERNANDEZ: -- all the questions I had.

MR. O'SHAUGHNESSY: Yeah.

CHAIR KAMA: Member Paltin has a question.

MR. O'SHAUGHNESSY: Ma'am.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. O'Shaughnessy. I just wanted to verify. You said you own in Kauhale Makai, K-A-U-H-A-L-E?

MR. O'SHAUGHNESSY: Yes.

COUNCILMEMBER PALTIN: Thank you.

MR. O'SHAUGHNESSY: Kauhale Makai. Also, we call it Village by the Sea --

COUNCILMEMBER PALTIN: Thank you.

MR. O'SHAUGHNESSY: -- in translation.

COUNCILMEMBER PALTIN: Thank you.

MR. O'SHAUGHNESSY: Yeah.

CHAIR KAMA: Thank you so much for your testimony, Mr. O'Shaughnessy.

MR. O'SHAUGHNESSY: Thank you all. Appreciate it.

CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Mike Kessler [sic], to be followed by Paul Zarubin, and then Leslie Brown.

MR. KEESLER: Let's give this a shot. Good morning, Councilmembers.

CHAIR KAMA: Good morning.

MR. KEESLER: My name is Mike Keesler. I am a local and full-time resident of Lāhainā. I have lived and suffered through the horrific Lāhainā fire, and the consequences of that disaster, which continues to this day. Local short-term rentals are not faceless corporations or absentee investors. I have a face, and I am here today, like many, as a neighbor, a business owner that helps in time of need...which I have, and still do today. I am the...I am the owner of a single-bedroom, one-bath condo at Papakea Resort, which is on the Minatoya list. I ask you to please follow the recommendations of the Planning Commission to remove, at the very least, those properties that have a dual zone, like Papakea, which has an A-2, H-2 zoning. Our properties employ many local families and businesses that surround our resorts. You take away our ability to rent in

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the short-term, you take away the jobs and support of our surrounding businesses and local families, which the UH report study has forecasted, if...if this passes. Papakea Resort has paid out over \$16-1/2 million in taxes over the last five years. Over 3 million in wages each year goes to our employees, and 35 of those employees are benefited on-site staff. Papakea Resort operations support 161 housekeepers, 26 handypersons, 30 rental management companies, 30-plus contractors. We ask for the right approach, one that respects the rights of locals who have played by the rules, followed the regulations, and contributed greatly to our economy. Please do not punish responsible owners . . .(timer sounds). . . who are just trying to survive. If this bill passes, I myself might not be able to stay on Maui because I will not be able to afford it. Mahalo for your time, and please vote no on Bill 9.

CHAIR KAMA: Member Paltin has a question for you.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Keesler. Did you say that you live in Lāhainā?

MR. KEESLER: Yes, I do. Actually, I just live north in Kahana. My address is still Lāhainā.

COUNCILMEMBER PALTIN: Mike Keesler?

MR. KEESLER: Mike Keesler, yes.

COUNCILMEMBER PALTIN: K-I-E-S-L-E-R?

MR. KEESLER: K-E-E-S-L-E-R.

COUNCILMEMBER PALTIN: K, what?

MR. KEESLER: K-E-E-S-L-E-R.

COUNCILMEMBER PALTIN: Thank you.

CHAIR KAMA: Any other...Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Mr. Keesler. Mahalo for your testimony.

MR. KEESLER: Aloha.

COUNCILMEMBER RAWLINS-FERNANDEZ: You said you own one unit at Papakea?

MR. KEESLER: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for that. Mahalo, Chair.

CHAIR KAMA: Thank you.

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MR. KEESLER: Mahalo.

CHAIR KAMA: Thank you so much for your testimony. Staff?

MS. MCKINLEY: Chair, the next testifier is Paul Zarubin, to be followed by Leslie Brown, and then John Egbert.

MR. ZARUBIN: Aloha, Chair, Vice-Chair, and Committee Members. My name is Paul Zarubin. My wife and I own a condominium at Kamaole Sands, and we both oppose this bill in its current form because of the people that this will harm. My message today is about the people. Shortly after we were married, a week before Christmas, we lost everything in a house fire. I remember just being in total shock, numb, not knowing what to do and where to turn. This is where I first experienced the kindness of people. Someone donated a house for us to stay in, and by word of mouth, we started receiving food boxes, clothing boxes, and cash, all from strangers. It was very humbling. By God's grace, we didn't just survive, we thrived. One year later, I was able to build our first house, and to this day, we are so grateful to those who came to our aid. In 1989, I was hired by Pacific Construction as a medic and safety administrator at the Grand Wailea project. It was a dream come true for my young family. We had 1,700 men and women working on that job, and I interacted with many of those workers by treating their injuries, and creating a safe workplace. I love meeting people, and made lots of new friends. I have a heart to help those who are in need, which is why I chose to be a first responder, being there for people who are having a bad day. Once the job was completed, we sold our Maui house and returned to California, but we missed Maui and all of our friends that...that we made during the three years that we lived here. So, we saved and saved, and in 2000, we were able to purchase our condo, which allowed us to return to Maui for two months out of the year. And then the Lāhainā fire happened. My property manager, David Englert at Rentals Maui, called, and said there was a family with five children that lost their rental home and needed a place to stay. We gladly gave them our place. . . .(timer sounds). . . Eric is a pastor at the Lāhainā Baptist Church, which just recently started again to hold services in their building, which miraculously survived the fire. And I am pleased to report that we attended his church service yesterday, and he told us that he just purchased a burn lot, and is starting the process of building a new home for his family. It's about the people. This bill is going to affect a lot of local people in a negative way. My housekeepers, my property management company, AC Maui, Ace Hardware, our car repair shop, the maintenance crew at our condo, the activities people, Hamai Appliance, Maui Fan, the workers at Lowe's and Home Depot, and so many other vendors that I have worked with. And then all the retailers, shops, and restaurants that rely on our guests coming here. It's about the people. And as I talk to local businesses, I'm hearing that this bill is not a good idea, or that it will solve any of the problems. Instead, I'm hearing that if this bill passes, the loss of revenues . . .(timer sounds). . . will hurt many local families.

CHAIR KAMA: Thank you so much, Mr. Zarubin. Any questions for the testifier? Member Paltin has a question for you.

COUNCILMEMBER PALTIN: Thank you, Mr. Zarubin --

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MR. ZARUBIN: Yes.

COUNCILMEMBER PALTIN: -- for your testimony. Thank you, Chair. Just wanted to clarify, did your realtor let you know that it was a Apartment-zoned property, and that it was a legacy use?

MR. ZARUBIN: That never came up.

COUNCILMEMBER PALTIN: Who was your realtor?

MR. ZARUBIN: I'd rather not say.

COUNCILMEMBER PALTIN: Okay. And then you said when you talk to people, they think this is a bad bill. That's during the two months that you're here?

MR. ZARUBIN: No, we...we're here quite a bit. But just talking with...like we constantly have to do improvements on the property. And so, we're calling people from the mainland to, can you get over here and do this, do that? And then we talk to them, hey, what do you guys think about the bill? But yes, I'm only here for two months, so I only get to talk to people for two months at a time.

COUNCILMEMBER PALTIN: Got it. Thank you.

CHAIR KAMA: Thank you very much. Staff?

MS. MCKINLEY: Chair, the next testifier is Leslie Brown, to be followed by John Egbert, and then Matt Adamson.

MS. BROWN: Good morning. Thanks you all --

CHAIR KAMA: Good morning.

MS. BROWN: -- for being here to let us speak. I'm Leslie Brown, and I run a vacation rental property in Kihei for the past 39 years. First, I'd like to clear up some misinformation. The 7,700 units on the Minatoya list are not illegal. These are being rented out in the open with GET and TAT licenses that the State has issued us. We have to file those taxes monthly or quarterly. The State knows what we're doing, and has condoned it with issuing the license. We also pay an exorbitant amount of property tax for the privilege of owning and renting a vacation condo. I'm not aware of any other industry on Maui that generates the income and tax dollars that tourism does. Like it or not, almost everyone on Maui is affected by the tourism industry. We have employees, we hire vendors and contractors such as handymen, cleaning companies, plumbers, et cetera. To end the Minatoya list won't just hurt wealthy people. It affects hardworking owners of restaurants, tour businesses, surf shops, food trucks, thrift stores, grocery stores, and the vacation rental owners. The ripple effect is huge. Rather than the nasty dialogue that tourists, or criticizing those of us who cater to tourists, understand the golden goose and the hardworking business owners make a \$1.5 billion budget and pay raises a possibility. I respectfully ask that you think before decimating

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the Maui tourism industry and the thousands of jobs and businesses related to that industry. . . .*(timer sounds)*. . . Thank you.

CHAIR KAMA: Members, question...Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Brown. I just wanted to clarify, how many TVRs do you own?

MS. BROWN: I don't, I rent them out. I am the managing company, 60 of them.

COUNCILMEMBER PALTIN: 60 of them?

MS. BROWN: Uh-huh.

COUNCILMEMBER PALTIN: So, you don't own any TVRs?

MS. BROWN: Correct.

COUNCILMEMBER PALTIN: Thank you.

MS. BROWN: You're welcome.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is John Egbert, to be followed by Matt Adamson, and then Donna Butterfield.

MR. EGBERT: Thank you. My name is John Egbert, and I own unit D204 at Luana Kai in Kihei. And I'm opposed to the TVR ban, and respectfully request that you vote no. And I'm...I'm concerned primarily because of the adverse effects that it will have on the Maui economy. This has been confirmed by two different economic studies, and I emailed both of those studies to each of the Councilmembers. And according to the testimony that I heard when this was before the Planning Commission, if this ban is enacted, there will be dozens of businesses that will be forced to close down, and there will be hundreds of jobs lost. And the previous...Leslie Brown just named some of the businesses, types of businesses that will be impacted. I went down into the Kihei area and made a list of 32 businesses in the Azeeka [*sic*] Shopping Center that I thought would be impacted by this. And I don't know how many people that translates into being employed, but it's...it's probably in the hundreds. This proposed ban is...has the intent of converting TVRs to long-term rentals, but I...I don't think that is going to address the immediate housing shortage because of the two proposed amendments that are out there. One of those shifts the implementation date to 2028, the other to 2030. Now, that's five years from now, and if there's an immediate housing crisis, postponing the implementation for five years is...is not going to help that situation. But the County is already proceeding down the right path with the real solution . . .*(timer sounds)*. . . with building more units. There's...currently, there's a 223 affordable housing unit project underway being constructed right now in Kihei, and *Maui Now* just reported that there's another development of 1,600 units in Kahului that's up before the Planning Commission. The

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223 units in Kihei, those are supposed to come online later this year. And the County has affordable housing plans, and I read this, quote, “of providing 500 affordable”...5,000 affordable homes in five years,” close quote. Under this plan, the housing crisis will nearly be eliminated by 2030, and you won’t have to crash the Maui economy by eliminating TVRs. . . .*(timer sounds)*. . . Thank you.

CHAIR KAMA: Thank you, Mr. Egbert. Member Paltin has a question for you, sir.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Egbert. Were you informed when you purchased this that it was an Apartment-zoned property with a legacy use of TVR?

MR. EGBERT: I’m sorry, that it had a...

COUNCILMEMBER PALTIN: When...when you purchased the property, did you use a realtor?

MR. EGBERT: Yes.

COUNCILMEMBER PALTIN: And did they inform you that the zoning was Apartment-zoned?

MR. EGBERT: The question of zoning never came up. It was told to me it was a TVR.

COUNCILMEMBER PALTIN: Okay. And then what year did you purchase the property?

MR. EGBERT: About 2013 or ’14.

COUNCILMEMBER PALTIN: Thank you. Do you remember who your realtor is?

MR. EGBERT: I...I’d rather not say.

COUNCILMEMBER PALTIN: Thank you.

COUNCILMEMBER LEE: Chair?

CHAIR KAMA: Council Chair Lee has a question for you.

MR. EGBERT: Yes, ma’am.

COUNCILMEMBER LEE: Yes. Could you resend the email that you sent to all of the Councilmembers?

MR. EGBERT: I’d be glad to.

COUNCILMEMBER LEE: Okay. Thank you.

MR. EGBERT: Thank you.

CHAIR KAMA: Thank you. Staff?

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MS. MCKINLEY: Chair, the next testifier is Matt Adamson, to be followed by Donna Butterfield, and then Francine Johansen.

MR. ADAMSON: Aloha, Councilmembers. Thank you for your service to our community. I really appreciate your time, and being here, and hearing our voices. Thank you for the opportunity to speak before you today, and your ongoing dedication to the people of Maui. I truly appreciate your hard work and commitment each of you puts into addressing the complex challenges our island faces. My family and I have been honored to serve this community in several meaningful ways. We have opened our home through foster care, providing loving and stable environments for keiki who need it most. Additionally, we actively participate in Maui County Emergency Management and the Community Emergency Response Team, helping to prepare our island and support our neighbors in times of crisis and natural disasters. These roles are deeply important to us, and we take great pride in contributing to the safety and well-being of our community. That said, despite the vital nature of this work, we, like many others, face significant challenges related to affordable housing on Maui. The high cost and limited availability of housing affect not...not only our everyday residents, but also those of us who dedicate ourselves to community service. For our family, working in the vacation rental industry provides the financial foundation that enables us to live here and continue our service. Without this support, sustaining our involvement in foster care and emergency management would be far more difficult. I want to acknowledge the severity of the housing crisis facing Maui County. We understand and share the concerns about how this impacts our island's future, and the quality of life for its residents. However, I respectfully oppose Bill 9, which proposes making Minatoya properties available as long-term rentals. While I recognize the intention of alleviating housing shortages, I worry the associated costs and conditions could unintentionally attract more transplants to the island, potentially increasing the demand for housing, and exacerbating the very issues we are trying to solve. I ask the Council to consider alternative solutions that effectively address housing needs . . . *(timer sounds)* . . . while preserving the delicate balance of our community. It is essential that policies support not only those seeking housing, but also the local families and service providers who help keep Maui resilient and thriving. Thank you again for your time, your service, and your commitment to finding thoughtful, balanced approaches that will benefit all residents of Maui County. We stand ready to support efforts that honor both our community's needs and our island's unique spirit. I'm Matthew Adamson, I oppose Bill 9, and if it goes through, and if it impacts my job, my family may need to leave this island, which we would lose a member of the Maui Emergency Response Team, CERT coordinator, a foster family, and a Native Hawaiian. And that's hard to think about.

CHAIR KAMA: Thank you. Questions for the testifier? Seeing none. Oh, Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Adamson. I just wanted to clarify--I think I know--but when you said might bring more transplants to the island, can you clarify what you meant by that? You're not talking about foliage.

MR. ADAMSON: Thank you. . . *(laughing)* . . . Thank you for the question, and I really appreciate your questioning because it shows interest in what people are saying. For

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me, when I see the statistic that was on the screen, and it said it might be, you know, \$4,600 for an oceanfront condo, for me, and--you know, if I try to bring my three kids--it's not really feasible in...in...at \$4,600 for a one-bedroom, two-bedroom condo, maybe. But if I imagine myself as a retiree, or someone that can work remotely that lives in a place like San Francisco or New York where rents are already sky high, and they may say, hey, it's way cheaper, I can do a long-term. It opens up long-term rentals. You know, I feel like that's not being considered, and I feel like it's a valuable viewpoint.

COUNCILMEMBER PALTIN: Thank you.

MR. ADAMSON: Thank you.

CHAIR KAMA: Mr. Adamson, we have a question for you from Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for your testimony, Mr. Adamson.

MR. ADAMSON: Oh, I'm sorry.

COUNCILMEMBER RAWLINS-FERNANDEZ: Just to clarify, you don't own a short-term rental on the Minatoya list?

MR. ADAMSON: I don't own a short-term rental. I don't own a home. My family is in the rental market. Shortly after the fire, we were in between leases right when the FEMA money came out, and we ended up being homeless. My wife was forced to move to Hilo with our children. I know the struggle. I pay exorbitant rental prices, and the only way that we can afford the prices that the Mayor acknowledged, and the housing, is...is my...my work either doing repairs and helping with management of vacation rentals. So, we're at work every day. You know, we're right in the...in the struggle with everyone else. I...I totally see both sides.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that clarification.

MR. ADAMSON: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: And Chair, I'm sure you counted, but I think we're at --

CHAIR KAMA: Yes, we're at bare quorum.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- bare quorum. Yeah.

CHAIR KAMA: So --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR KAMA: -- you all need to do a bio thing, let us know...because then we'll probably have to do a recess, yeah.

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COUNCILMEMBER PALTIN: Or we can take turns.

CHAIR KAMA: But you're still...we're still only at four, not five. But yes, I think we have to all do it together.

COUNCILMEMBER PALTIN: Or are they not coming back?

CHAIR KAMA: Not until after lunch. Because Gabe has a one-hour meeting, and Chair, her meeting gets over at 12:30, so...

COUNCILMEMBER PALTIN: I pledge to not drink any water.

UNIDENTIFIED SPEAKERS: . . .*(laughing)*. . .

CHAIR KAMA: Thank you for that. Okay. Thank you.

MR. ADAMSON: Thank you all.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Donna Butterfield, to be followed by Francine Johansen, and then Cara Birkholz.

MS. BUTTERFIELD: Aloha, Chair and Councilmembers.

CHAIR KAMA: Aloha. Pull the mic down. Yeah.

MS. BUTTERFIELD: Aloha, Chair and Councilmembers. Thank you so much for hearing my testimony today. I had a question, too. I...why are we not voting for this as a community? Because we were able to vote to ban plastic bags, and I...anyway, I just think it would be...might be good. Like it or not, tourism is our main industry. This bill sent a message to the world that Maui hates tourists. We have been given a crystal ball and can see how it is already hurting our economy. Lack of tourists, they were proposing to spend \$6 million advertising to bring tourists here. That money could be better spent. We're going to lose jobs, businesses closing, and right now, more than ever, we need to heal. You know, we've...we've experienced a great tragedy in Lāhainā, and I just feel like we need to take a pause. Not all condos in the Apartment zones are created equal. And we need to vote against this bill, but use it as a conversation starter to get more permanently affordable housing. Places in Colorado, Wyoming, Aspen, and Jackson Hole, they have...their housing is more expensive than Maui, and they actually have programs that they build workforce housing, and it stays workforce housing. We need that here. I think that would be really helpful. I...the prices are not affordable. I think there's unintended consequences. I think investors buying single-family homes might start happening because these condos are so expensive to hold. The maintenance dues . . .*(timer sounds)*. . . are over \$1,000. So, anyway, I...I believe we need to do more to house our workforce...you know, working people. We need a moratorium on hotels, and I wish we could have a conversation instead of just testifying because I really would like to share more things I've thought of. You know, there's one complex that has 17

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units for sale. The County could buy them for 4...4,424,000 if they paid the asking price, which you could probably get it for less. And these are all two-bedroom condos. They could be made just affordable for...you know, the County could control the rent, and the County could control...I just don't think, you know, banning all short-term rentals is...is smart at all, and I know it would hurt people that I know, and their businesses. . . .*(timer sounds)*. . . So, thank you.

CHAIR KAMA: Thank you. Questions for the testifier? Member Paltin, and then Member Rawlins-Fernandez.

COUNCILMEMBER PALTIN: I'll yield to her. She raised her hand first.

CHAIR KAMA: Okay. Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Miss...no, Butterfield. Mahalo for your testimony today. Just to clarify, you understand that Bill 9 does not ban all short-term rentals?

MS. BUTTERFIELD: Yes. But there are a lot of short-term rentals that exist in the Apartment zones, which were originally built to be vacation rentals. They have a huge main front desk. There's...they operate as condotels. Even lenders will not...

COUNCILMEMBER RAWLINS-FERNANDEZ: I don't think every single complex.

MS. BUTTERFIELD: I didn't say every single...

COUNCILMEMBER RAWLINS-FERNANDEZ: As...as the...the presentation explained.

MS. BUTTERFIELD: But there's even...

COUNCILMEMBER RAWLINS-FERNANDEZ: My question was just to clarify that you understand that Bill 9 does not ban all short-term rentals, which is one of your closing statements, that short-term rentals continue to be allowed on...in Hotel District. That...that was the clarification.

MS. BUTTERFIELD: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo.

MS. BUTTERFIELD: So, I...yeah.

CHAIR KAMA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR KAMA: Thank you. Member Paltin?

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COUNCILMEMBER PALTIN: Thank you. My clarification was, do you own short-term rentals in Apartment-zoned districts, and how many?

MS. BUTTERFIELD: Yes. Yes. I have two.

COUNCILMEMBER PALTIN: And were you told that it was Apartment zoned, and that's a legacy use?

MS. BUTTERFIELD: Yes. And it was very short after the Minatoya decision. And so, I trusted the County's decision at that time, so...

COUNCILMEMBER PALTIN: And what...what...so it was very short after, so you own these since the '80s, late '80s?

MS. BUTTERFIELD: 2014, actually.

COUNCILMEMBER PALTIN: Oh, 2014?

MS. BUTTERFIELD: Yeah.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Francine Johansen, to be followed by Cara Birkholz, and then Jennifer Taylor.

MS. JOHANSEN: Do I go? Aloha. My name is Francine Johansen, and I am opposing this bill. I had written this all out in an organized manner, but then I listened to Mayor Bissen and his crew and their statistics, and I kind of wrote some side notes because I wanted to address that, okay? First of all, I'm a nurse, and I've worked over 30 years in Maui County. I work for a nonprofit residential treatment center, and I was also a first responder in Lāhainā. I purchased a studio...one studio condo, which I own, so that should resolve the question later, in North Kīhei in 2019. I understood it to be a legal short-term rental complex. I've been managing it on Airbnb. It's been up and down--through COVID, through a Kīhei flood, and through the Lāhainā fire. My expenses, meaning mortgage plus HOA dues, equal about \$2,600 a month. So, I heard a lot of statistics that may be accurate mathematically at the beginning of this hearing, but not based on realistic comparisons. For example, I don't think comparing major cities like London and Barcelona as tourist destinations is a...is a fair comparison to Maui TVRs. We're in a whole different category. We're a tropical island. I'm sure we've been said number one destination, blah, blah, blah, many, many times. Those are large cities with dense populations. So, that's a little different thing. Okay. Okay. I guess I will go here. Okay. The Mayor also mentioned nurses, firefighters, et cetera, may have to leave Maui due to housing costs. I served my time working in this community . . . *(timer sounds)* . . . and I could have to leave also because I might not be able to afford my condo, which I bought as a semi-retirement plan to help. This proposal has caused so much controversy without even being voted on yet. It has affected the visitor rate at

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my STR and others. People who can't afford the Four Seasons are confused on whether to visit Maui and rent from sites like Airbnb, or are they being not respectful, not pono. I can't afford to have my mortgage not paid, and I put it on the market because of the stress, and I put it on a price well lower than before all this started, and I'm not having any offers. So, most condos for sale are in the same boat. It's flooded with these extremely reduced condos, yet no one is buying. I've only owned it for five years. I paid quite a bit for mine, and I...and the amendments coming up are just prolonging the decision. They're putting the STR business in limbo . . .(timer sounds) . . . and it's affecting a lot of people with jobs, foreclosures, people like me also.

CHAIR KAMA: Thank you. Questions, Members? Yes, Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Johansen. I just wanted to clarify. You did say you purchased in 2019, and it's an Apartment zone, and they let you know that it...so they let you know that this is Apartment-zoned and it's a legacy use --

MS. JOHANSEN: What I --

COUNCILMEMBER PALTIN: -- your realtor --

MS. JOHANSEN: -- what I was --

COUNCILMEMBER PALTIN: -- or did you have a realtor?

MS. JOHANSEN: -- told was it's legal. It's a legal short-term rental use. I got my licenses, and I've been paying my taxes on it. Also, the original...original documentation on Kihei Bay Surf shows it was approved for owner or vacation rental use. It's in the original documentation of the complex when it was built.

COUNCILMEMBER PALTIN: You went through a realtor?

MS. JOHANSEN: When I bought...purchased my place? Yes, I did.

COUNCILMEMBER PALTIN: Yeah. And so, they did tell you that it was Apartment-zoned, and it's a legacy use?

MS. JOHANSEN: I don't recall the words Apartment-zoned. I recall the legal short-term rental vacation, that it was legal to use as short...as vacation rental.

COUNCILMEMBER PALTIN: And who was your realtor?

MS. JOHANSEN: I'd rather not say.

COUNCILMEMBER PALTIN: Thank you.

MS. JOHANSEN: Thank you.

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CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Cara Birkholz, to be followed by Jennifer Taylor, and then David Switzenberg.

MS. BIRKHOLZ: Mahalo, Chair Kama and Committee, for the opportunity to testify. My name is Cara Birkholz, and I'm one of the thousand families of Maui resident short-term rental owners. I have three sons, all raised here on Maui. One is an apprentice, one is in college, and one is a high school student. I oppose this bill. This bill will not provide affordable housing. There's no guarantee that these condos will be long-term rented. The overhead costs are too high to affordably long-term rent. I personally will sell because I depend on the income that my STR generates. Rather than generating long-term rentals, this bill will open the County to lawsuits. Did you know the original condo documents approved by and filed with the County and the State prior to the building of properties such as Kamaole Sands, Maui Kamaole, and Palms at Wailea, and others, explicitly state, as we've heard, that these properties are allowed to be used as short-term rentals. It is a lie to say that they were all built as workforce housing. In fact, half of the Palms at Wailea condos were originally sold through a sales office in Japan. Of course, owners will sue, and the County will waste our tax dollars on lawsuits instead of building affordable housing. Did you know if a condo association doesn't stay on top of the recommended maintenance, owners can sue their board to do that maintenance. I'm the board president at Palms at Wailea, and I was just looking at the new reserve study for our property. Millions of dollars in upcoming maintenance costs. It costs a lot to maintain old properties. With age, and inflation, and the insurance fiasco, HOA fees are just going to go up. Instead of this bill and lawsuits, use our tax dollars . . .(timer sounds). . . to build affordable housing that remains affordable in perpetuity, not just for ten years. And since off-island investors insist on buying second homes, encourage them, through property tax policies, to buy those expensive...expensive to maintain Minatoya condos, and let them continue short-term renting them. That way, they will stay out of the houses and neighborhoods for local families and keep our tourist-oriented small businesses and restaurants afloat. Shut down illegal rentals--and I do know from a friend of several in Pukalani--and make sure that you are actually collecting the County TAT. We need affordable housing, and this bill will not provide it. Thank you.

CHAIR KAMA: Thank you. Questions? Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Birkholz. Several questions.

MS. BIRKHOLZ: Yeah.

COUNCILMEMBER PALTIN: Those illegal short-term rentals in Pukalani, have you reported them to the Planning Department?

MS. BIRKHOLZ: My friend has, yes.

COUNCILMEMBER PALTIN: Okay.

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MS. BIRKHOLZ: And it has done nothing.

COUNCILMEMBER PALTIN: Oh.

MS. BIRKHOLZ: They just keep renting.

COUNCILMEMBER PALTIN: Please CC me on the next report.

MS. BIRKHOLZ: I will...I will advise her to do that, yes.

COUNCILMEMBER PALTIN: Thank you. And then the next question I had was...shoot, I should have wrote them down. How...how many short-term rentals do you own?

MS. BIRKHOLZ: I'm the board president at Palms at Wailea. I own at Palms at Wailea.

COUNCILMEMBER PALTIN: One?

MS. BIRKHOLZ: I bought it...I own one at Palms at Wailea. I bought it in 2011 with my husband. And yes, I was informed that it was legal to rent it because it was on the Minatoya list, and the Minatoya list was codified into law in 2014. After the fact, but until...at that point, it was also legal to short-term rent. Sorry, nerves.

COUNCILMEMBER PALTIN: Yeah, no, no, no, I understand. Oh, I remember my other question. It's come up several times about increasing the deed restriction from 5, 8, and 10 years to 20, perpetuity, whatever. Have you sent testimony about what you just said? Because I...I love the language you're speaking there, but I hadn't read testimony.

MS. BIRKHOLZ: Sorry, on...on what?

COUNCILMEMBER PALTIN: You...you --

MS. BIRKHOLZ: About the...

COUNCILMEMBER PALTIN: -- you said in your testimony that deed restrictions should go on in perpetuity for affordable housing?

MS. BIRKHOLZ: Yes. I have not submitted testimony on that, but I definitely can pay attention to when that comes up next and say that...because it's ridiculous that our property taxes that we pay a lot of get put into a fund, and then in ten years, they go poof.

COUNCILMEMBER PALTIN: Thank you. I'll look forward to your testimony --

MS. BIRKHOLZ: Yeah.

COUNCILMEMBER PALTIN: -- when it comes up again.

MS. BIRKHOLZ: All right. Any from you? No?

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CHAIR KAMA: Thank you.

MS. BIRKHOLZ: Okay. All right.

CHAIR KAMA: Thank you.

MS. BIRKHOLZ: Thank you very much.

CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Jennifer Taylor, to be followed by Davin Switzenberger [sic], and then Lisa Persinger.

MS. TAYLOR: Hello, Councilmembers. My name is Jennifer Taylor, and I am the secretary at the Palms at Wailea. Cara is the president there, so same complex. I oppose Bill 9. Per the South Maui Community Plan, Wailea was planned as a community resort with shops, golf courses, and resorts within it. There are currently six condominium resorts in Wailea that offer short-term rentals, with a total of 1,033 units, along with five high-rise hotels. Because Wailea was developed in the 1970s and 1980s, four of its condominium resorts are on the Minatoya list--the Palms at Wailea, Wailea Ekahi, Wailea Ekolu, and Wailea Grand Champions. These four condominium resorts have 782 units. Consistent with the plan to develop Wailea as a...as a resort community, these four condominium resorts were developed to be used for short-term rentals. For example, the declaration filed with the State and the County for the Palms at Wailea expressly states that its units may be used for transient vacation rentals. It's in the declaration filed with the State and the County. Similarly, the declaration for Wailea Ekahi states that its units may be used as hotel rooms. Should the County Council pass Bill 9 as it is currently drafted, all four of these Wailea condominium resorts will have their short-term rentals phased out, leaving only two condominium resorts in Wailea with 251 rooms...so 20 percent of what we currently have available for short-term rentals in Wailea. If that happens, many visitors who currently come to Wailea to enjoy the local shops, services, restaurants will go elsewhere. Why? Because there will not be a sufficient number of short-term rentals available in Wailea for visitors who prefer not to stay in those high-rise hotels, or who cannot afford those hotels, particularly families. . . .(timer sounds). . . This decrease in visitors will hurt the local economy in Wailea as the shops, services, and restaurants will have fewer customers, and it will also harm the economy in Maui as a whole should those visitors decide to skip Maui altogether. Of course, some of them may come to Maui anyway and stay at an STR outside of Wailea...perhaps a legal one that pays taxes to Maui County or perhaps one that does not. Who knows? Regardless, if visitors make that choice, they will add to the pressure that residents are already feeling in neighborhoods that are not designated as resort areas. To avoid these possibilities, I urge the Housing and Land Use Committee and the entire Maui County Council to reject Bill 9, or at the very least, to amend Bill 9 to exclude Wailea from the STR phase-out, and to continue to permit short-term rentals at the six Wailea condominium resorts that currently offer them, including the four on the Minatoya list. I thank you for your consideration, and for your hard work on this very important . . .(timer sounds). . . issue.

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CHAIR KAMA: Thank you. Questions? Member Paltin has a question, and so does Member Sinenci.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Taylor. I just was wondering, you mentioned the community plan. Did you participate in that process, and ask that these properties get community plan designation Hotel?

MS. TAYLOR: Yes, in fact, I did. We submitted testimony to that effect. We understood that it was underway and under consideration, and then ultimately, it was decided not to do so. We don't know why that change was made, but it was a concerted effort amongst the four condominium resorts in Wailea to --

COUNCILMEMBER PALTIN: Do you know what the --

MS. TAYLOR: -- go to the County Council.

COUNCILMEMBER PALTIN: -- if it was --

MS. TAYLOR: At the Planning Commission.

COUNCILMEMBER PALTIN: -- changed at the community plan level or the Planning Commission level, or...like was it ever...because it gets submitted from the Planning Department to the Planning Advisory Committee to the Planning Commission, was it ever...

MS. TAYLOR: Are you asking me if they ever changed it along the way? No. So, it was in discussions at the Planning Commission. We submitted testimony. There was a recess. There was discussion that we should submit more information, that they were interested in it, and then ultimately, there was a decision not to change the land use designation for the four Wailea condominium resorts, to which I'm referencing, by the Planning Commission.

COUNCILMEMBER PALTIN: Reference...sorry, that last part, can you repeat?

MS. TAYLOR: The four Wailea resort...condominium resorts that I'm referencing--the Palms at Wailea --

COUNCILMEMBER PALTIN: Oh, I see.

MS. TAYLOR: -- Ekahi, Wailea --

COUNCILMEMBER PALTIN: Thank you.

MS. TAYLOR: -- Ekoru, and Wailea Grand Champions.

COUNCILMEMBER PALTIN: Thank you.

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CHAIR KAMA: Thank you. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo, Ms. Taylor, for your testimony this morning. You mentioned one of the buildings that also had a Hotel zoning designation?

MS. TAYLOR: I didn't mention that, but Wailea Ekahi has...part of it is zoned Hotel. It was built in three phases, and one of the phases was zoned Hotel, and two of the phases were zoned Apartment.

COUNCILMEMBER SINENCI: Do you know how many units in the Hotel zoning section?

MS. TAYLOR: I think it's...I'm not as familiar with Ekahi as with the Palms. I think it's one-third, one-third, one-third. So, one of the phases was Hotel-zoned --

COUNCILMEMBER SINENCI: Okay.

MS. TAYLOR: -- and two of the phases were Apartment-zoned. But the declarations for all three phases expressly said hotel rooms.

COUNCILMEMBER SINENCI: Oh, okay. Thank you for that.

MS. TAYLOR: Yes.

COUNCILMEMBER SINENCI: Thank you, Chair.

MS. TAYLOR: Anything else?

CHAIR KAMA: Thank you. Member Rawlins Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Ms. Taylor. Mahalo for your testimony.

MS. TAYLOR: Oh, yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: And I'm sorry if I missed it. You said you own one unit at --

MS. TAYLOR: The Palms at Wailea.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- the Palms at Wailea.

MS. TAYLOR: Yes, and the secretary.

COUNCILMEMBER RAWLINS-FERNANDEZ: And you were notified...

MS. TAYLOR: Yes. My husband and I own it.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Your realtor notified you of...

MS. TAYLOR: I can't...I'm sorry, I couldn't hear you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Did your realtor notify you that it was on the Minatoya list when you bought?

MS. TAYLOR: My realtor notified us that it was a legal STR when we bought it. Because we...when we bought it, we expressly wanted a legal STR, and he made a distinction, and he said the Palms at Wailea are legal STRs. Wailea Palms, which is next door, is not a legal STR, and you can't have STRs there. So, we looked at the one where we knew it was a legal STR.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for that clarification.

MS. TAYLOR: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR KAMA: Thank you. Members...Cook has a question for you. Sorry.

MS. TAYLOR: I'm back.

CHAIR KAMA: Yeah.

COUNCILMEMBER COOK: Thank you. Since you're the treasurer [*sic*], maybe this is a good answer...a good question.

MS. TAYLOR: I'm the secretary.

COUNCILMEMBER COOK: Secretary. Do you pay...do the four complexes that you're discussing, do they pay both HOA fees and Wailea Community Association fees?

MS. TAYLOR: Yes. We pay Wailea Community Association fees, and we pay the AOAO fees. I think between the two, it's about 2,000 a month. And the Wailea Community Association actually controls the four complexes. It requires swimming pools. It requires that resort-style landscaping that one of the Mayor's Assistants suggested could be taken away. Unfortunately, we have to keep it per the Wailea Community Association because we're a member of it.

COUNCILMEMBER COOK: Thank you.

CHAIR KAMA: Thank you. Staff?

MS. TAYLOR: Thank you.

CHAIR KAMA: Thank you.

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MS. MCKINLEY: Chair, the next testifier is David Switzenberg, to be followed by Lisa Persinger, and then John Angel. *(pause)* Is David Switzenberg in the audience?

CHAIR KAMA: Let's go to the next one, and we'll come back.

MS. MCKINLEY: Chair, we'll come back to him. The next testifier is Lisa Persinger, to be followed by John Angel, and then Dave Englert.

MS. PERSINGER: Good afternoon.

CHAIR KAMA: Good after...good morning. . . *(inaudible)*. . .

MS. PERSINGER: I'm a 40-year resident of Maui. Since I have lived on Maui, I have worked at the hotels, resorts, promoting and selling all of Maui's islands, tours, and activities. I oppose this bill. This bill will not solve the affordable housing crisis, nor the current economic downturn on Maui. This is not the time to pass this bill without a viable contingency plan. I see many small, locally-owned tourist businesses struggling more now than ever. The message to the tourists is, you are not welcome. We cannot deny that tourism is the number one economy for Maui that is the livelihood for all our business sectors on the island. What people might not understand or realize is the cost of owning and renting these condos. Monthly maintenance fees for Minatoya lists start from 800 to 1,000, and go up from there. The recent increase in insurances this past year and from year before is 400 to 500 percent. Last year, my association, I was assessed \$6,000 that I had to pay within two months. This year, my maintenance fees was around 750 last year, and went up to 1,400 a month. Granted, I'm a single working woman on Maui working in the tourism industry. Years ago, I rented an apartment which was subsidized by the County. The rent was affordable, and I was...it was based on my income, which allowed me to save money while I worked two to three jobs to get a down payment for my condo. I believe there needs to be more solutions like this rather than eliminating short-term rentals that provide millions and millions of dollars for our County, and taxes, and revenue. The short-term rental clientele supports more . . . *(timer sounds)*. . . small businesses than the resort traveler, such as local retail, grocery, and restaurants. The County should have provided a solution to the unaffordable housing decades ago. The County and Planning Commission should be passing building permits for viable, affordable housing that is conducive to long-term family housing and the working class. I have a question for the County Council. Does the County want to spend our tax dollars for litigation costs if this passes? If these condos go into lawsuits, how will these units sell if these units are in litigation and buyers cannot get a loan? These condos will only be able to be sold as cash buyers because they cannot get a loan. This will be a big decision for the County Council to make, and I hope they make the best decision based on logical solutions. Thank you for your time. . . *(timer sounds)*. . .

CHAIR KAMA: Thank you. Could you please state your name for the record?

MS. PERSINGER: Oh, Lisa Persinger.

CHAIR KAMA: Thank you. Questions for the testifier? Member Paltin.

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COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Persinger, for your testimony. I just wanted to clarify, you said you own one vacation rental?

MS. PERSINGER: Yes, I do.

COUNCILMEMBER PALTIN: And what year did you purchase it?

MS. PERSINGER: I purchased this in 1993. I'm getting up there in age.

COUNCILMEMBER PALTIN: You look great for your age.

MS. PERSINGER: Thanks.

COUNCILMEMBER PALTIN: And at that time, did they...that was a long time ago. Did --

MS. PERSINGER: That's a long time ago.

COUNCILMEMBER PALTIN: -- did they know...

MS. PERSINGER: Thank you.

COUNCILMEMBER PALTIN: Did they inform you that it was A-1, A-2 zoning, and...

MS. PERSINGER: We were allowed to do below-six-month rentals. And I knew it was Apartment-zoned, I think at that time, but it was so long ago that I don't think it was specifically said.

COUNCILMEMBER PALTIN: Okay.

MS. PERSINGER: Yeah.

COUNCILMEMBER PALTIN: Thank you.

MS. PERSINGER: You're welcome.

COUNCILMEMBER PALTIN: You...you do look great for your age.

MS. PERSINGER: Thank you.

CHAIR KAMA: Thank you. Staff, do you want to try calling David again?

MS. MCKINLEY: Okay. Chair, the next testifier is David Switzenberg. If he's here, please come up to the podium.

CHAIR KAMA: Okay. Oh, well.

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MS. MCKINLEY: Okay. The next testifier is John Angel, to be followed by Dave Englert, and then Heidi Dollinger. *(pause)*

CHAIR KAMA: Is John Angel here? Let's call the next one. I don't see him.

MS. MCKINLEY: Okay. Is Dave Englert available? To be followed by Heidi Dollinger, and Lynette Pendergast.

MR. ENGLERT: Aloha, Councilmembers.

CHAIR KAMA: Aloha.

MR. ENGLERT: Thank you for your time and for hearing our opinions on this important matter. I am in strong opposition to this bill, and implore you to vote it down. I was born and raised here in Maui, and agree that housing is a major issue. But this has been an issue for over 40 years, and we never seem to tackle the root of the issue...like infrastructure, permitting, and residential income. If I actually believed this bill would solve the issue, I might change my stance. It almost will certainly make things worse for all of us. I make my living managing these STRs, and this business gives me a unique insight on the financials, and has allowed me to hire many of my friends and family, and giving them high-paying careers. Today, we staff...we have a staff of 24, and 70 independent contractors, all residents, and they all depend on these condos to pay their bills. In managing these condos for over 15 years, the expense is astronomical. Most of my clients are simply trying to cover their expense every year, which means a great deal of the STR revenue stays here in Maui, paying the families who service these units, and the taxes that fund our County and State. Given the high expense of these condos, these units do not pencil out at long-term rates, as we can see with the \$4,500 a month for a one-bedroom. I would really encourage you to seek more information from lenders and realtors that have accurate information on...on the breakdown. But even the UHERO study points out that the very people this bill is intended to help still won't be able to afford it at these lower rents. Tourism is our lifeblood in Maui. Thousands of us depend on it. And the Mayor likes to point out that the other places like London and New York City ban vacation rentals, and they're doing all right. Well, that's great, but Maui isn't a metropolis with a plethora of thriving industries that we can all switch to if this ban . . .*(timer sounds)*. . . goes through. Diversification is good, but that takes time to foster, and that is something we should do. But please don't cut us off at the knees and tell us good luck. We are residents too. How many of our favorite restaurants, shops, and our companies, and...and tour companies will close their doors for good this time? How many more residents will be forced to leave when we lose these jobs and the visitor spending that come with them? This bill has created a lot of strong emotions, and the Mayor...the Mayor's bill sounds like a quick fix to a 50-year problem. But a fix for our housing problem is not going to be easy, and if this bill is passed, so many of my friends, family, employees, and contractors will lose their jobs. Thank you.

CHAIR KAMA: Thank you. Members, questions? Member Paltin?

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COUNCILMEMBER PALTIN: Thank you, Mr. Englert. Thank you, Chair. I just wanted to clarify...sorry. You said that our favorite shops and restaurants, do you...so you do believe that residents go to the shops and the restaurants, right?

MR. ENGLERT: Oh, of course. Yeah, but...

COUNCILMEMBER PALTIN: So --

MR. ENGLERT: Yeah.

COUNCILMEMBER PALTIN: -- you're saying that they can't survive simply on residents if residents were to fill the short-term rentals?

MR. ENGLERT: Some will, but residents are already here. You know, so restaurants historically operate on a very slim margin. And so, if you take a couple million travelers out of our market every year, that's really going to hurt a lot of restaurants.

COUNCILMEMBER PALTIN: Okay. And then to clarify, you own one short-term rental?

MR. ENGLERT: No, I don't own any.

COUNCILMEMBER PALTIN: You don't own any short-term rental?

MR. ENGLERT: I just manage.

COUNCILMEMBER PALTIN: You just manage them?

MR. ENGLERT: Yeah.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR KAMA: Anything else? No? Thank you so much.

MR. ENGLERT: Thank you for your time.

MS. MCKINLEY: Chair, the next testifier is Heidi Dollinger, to be followed by Lynette Pendergast, and then Pamela Reader.

MS. DOLLINGER: Aloha. There's a lot of passion in this room today. Affordable housing is just such an important issue. It's something that we all want. I'm a full-time Maui resident, and I oppose Bill 9 because Bill 9 is not the answer. In the face of pain and loss, as we experienced in the Lāhainā community after the fires, it's only natural, only human, to look for a common enemy. It's tempting and so easy to rally around a perceived enemy, vacation rentals, and point to a seemingly simple solution. Do away with vacation rentals, and then Maui residents can magically move into these costly, aging condos, pay the skyrocketing maintenance fees and special assessments, and live happily ever after. The problem with Bill 9 is that it will not result in the affordable housing we are hoping for. It would simply pull the rug out from an already vulnerable

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and very interconnected community, further damaging our struggling economy. If vacation rental owners can't rent their units, the reality is, many of them will simply hold onto them...or unfortunately, they will sell them to other off-island wealthier people who can afford to pay cash and keep them for personal use. Bill 9 does not actually help local families obtain stable and affordable housing. The UHERO report estimates that a phase-out of these short-term rentals would result in a loss of \$900 million of visitor spending, the loss of 1,900 local jobs, and 60 million reduction in property tax revenue. Small businesses will immediately suffer due to a contracting economy and reduced visitor spending. Reduced household income means that housing is even less affordable. . . .(timer sounds). . . Maui County would be exposing itself to inevitable lawsuits for years, further diverting our County's funds and resources away from creating real affordable housing solutions to help families get into actual homes, and focus on rebuilding Lāhainā. The biggest losers, should this pass, will be Maui residents. I urge the Housing and Land Use Committee to consider other more targeted solutions to create housing opportunities that will not undermine our local economy and harm so many people. Bill 9 should be opposed because it does not support a better future. Thanks.

CHAIR KAMA: Questions? Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Dollinger. I just wanted to clarify--and you're not the only one, a number of people said that this won't allow for affordable homes--is it your understanding that only affordable homes are needed? Is there no people on Maui that can afford regular homes?

MS. DOLLINGER: Well, I think what...what's not being realized is...so say even the market crashes and these condos change hands. I mean, you're...you're still going to be off-island people coming here thinking it's a great deal. I also think a lot of the off-island owners who own vacation rentals now are going to be getting into the single-family home market, you know, further disrupting that market. So...

COUNCILMEMBER PALTIN: Can you clarify why you think that off-island owners are going to get into the single-family home market?

MS. DOLLINGER: It's just an opinion based on, you know, wanting to get away from the high HOA fees. It'd be like less benefit to own that type of property --

COUNCILMEMBER PALTIN: Okay. Thank you.

MS. DOLLINGER: -- because the use is changing. Yeah.

CHAIR KAMA: Are you done, Member Paltin?

COUNCILMEMBER PALTIN: Oh, yes. Thank you.

CHAIR KAMA: Okay. Thank you. Thank you.

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MS. MCKINLEY: Chair, the next testifier is Lynette Pendergast, to be followed by Pamela Reeder, and we can try and go back to David Switzenberg or John Angel. Thank you.

CHAIR KAMA: Okay. So I just want to announce it is 12:27, and I'm hoping that...that Pamela Reader will be our last testifier, and then we'll go to lunch, and come back at 1:30. Thank you so much for being here, Lynette. Continue.

MS. PENDERGAST: Aloha, Chair Kama, Vice-Chair [sic] Cook, and Members of the Committee. My name is Lynette Pendergast, and I am speaking on behalf of the Realtors Association of Maui, RAM, representing about 2,000 real estate professionals across our island. I appreciate the opportunity to speak with you today in strong opposition to Bill 9. First, to be clear, RAM supports the creation of housing for Maui residents. We share the goal of ensuring that local families have safe, livable, and affordable places to call home. However, we respectfully oppose Bill 9, which would do far more harm than good. According to UHERO, which we've heard a lot of statistics from, the one that I'd like to focus on first, though, is the \$75 million lost in property tax, and GET, and TAT. And that's revenue that we depend on for public services, roads, schools, infrastructure, and yes, housing. These economic impacts are especially concerning, as Bill 9 will likely not accomplish the intended goal of opening up more housing units for local residents. RAM surveyed over 600 property owners, with only 8 percent stating that they would convert to long-term rental. The majority of the respondents said they'd either use the property for their own families, or sell because the costs would be too high. Maintenance fees for these units average between 1,200 and 2,000 a month. Mortgage payments, insurance, and assessments can drive total carrying costs up to between 3,400 and 11,000 per month. At those prices, these properties are not viable long-term rentals . . .(timer sounds). . . and they're certainly not affordable for local families, even if the prices fell. RAM is concerned that the reality of Bill 9 is that we will be directing Maui residents to housing that is unaffordable for our growing 'ohanas. Bill 9 threatens legally-obtained rights. Many of these properties were built with transient use in mind. Their governing documents, the CC&Rs, explicitly permit short-term rentals. Stripping those units...stripping those rights not only undermines decades of property planning, but it also creates legal liability for the County, exposing taxpayers to costly lawsuits. We urge this Committee to consider balanced alternatives, fast-track housing permits, expand rental incentives, rezone properties to align with actual uses, and force illegal . . .(inaudible). . . .(timer sounds). . . Mahalo for your --

CHAIR KAMA: Thank you so much.

MS. PENDERGAST: -- time and service to Maui's future.

CHAIR KAMA: Question, Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Pendergast. I wanted to clarify, you said you speak on behalf of the Realtors Association of Maui?

MS. PENDERGAST: Yes. I'm the President of the Realtors Association of Maui. Picked a good year for it.

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COUNCILMEMBER PALTIN: Huh?

MS. PENDERGAST: I picked a good year for it.

COUNCILMEMBER PALTIN: So, do they have a Government Affairs Director anymore? Like they went through a few.

MS. PENDERGAST: Currently, we do not have a Government Affairs Director.

COUNCILMEMBER PALTIN: Okay. And then you cited some statistics...8 percent of the survey said they would convert to long-term rental.

MS. PENDERGAST: Yes.

COUNCILMEMBER PALTIN: Can you tell me, like how many people were in the survey?

MS. PENDERGAST: There were 614 people who were surveyed, and they were both on-island and off-island --

COUNCILMEMBER PALTIN: And --

MS. PENDERGAST: -- owners.

COUNCILMEMBER PALTIN: -- do you know that they were currently doing short-term rental?

MS. PENDERGAST: Yes. Well, most of them. There was a couple that weren't.

COUNCILMEMBER PALTIN: Oh.

MS. PENDERGAST: A couple were owner-occupied.

COUNCILMEMBER PALTIN: Oh, okay. And you included that in your data --

MS. PENDERGAST: Yes.

COUNCILMEMBER PALTIN: -- or you just...oh.

MS. PENDERGAST: No, they're included. I can get you...that...that data was in the testimony that I sent.

COUNCILMEMBER PALTIN: Okay. There's...there's been a lot.

MS. PENDERGAST: Yeah, I bet.

COUNCILMEMBER PALTIN: Okay. Yeah, if...if you can resend it...like so it'll get to the top of our emails or something?

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MS. PENDERGAST: You bet.

COUNCILMEMBER PALTIN: Send it to our emails. Yeah, if...I guess...and so the data...the survey...the testimony has all the parameters of the data?

MS. PENDERGAST: Yes.

COUNCILMEMBER PALTIN: Okay.

MS. PENDERGAST: Yes, it does. It has the...all the data from the test...or from the survey itself.

COUNCILMEMBER PALTIN: And then to clarify, as your realtors, who are a group of this Realtors Association of Maui, and people purchase A-1, A-2 zoned properties, does the Realtors Association of Maui tell their members that they should disclose that these are Apartment-zoned and it's a legacy use?

MS. PENDERGAST: We do tell everyone, and it is part of the seller's disclosure that you say what the zoning is. Also, as realtors, we...we do say what that...what that means. We also say that the Minatoya list was codified in--I think it was 2016--and that we should trust that the County keeps their word when they say that it was legal to do those short-term rentals on this Minatoya list.

COUNCILMEMBER PALTIN: Okay. I just wonder why nobody wants to name their realtors then. Thank you.

MS. PENDERGAST: You can name me.

COUNCILMEMBER PALTIN: Thank you for your testimony.

CHAIR KAMA: Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Ms. Pendergast.

MS. PENDERGAST: Oh, sorry. Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for your testimony this morning. Real quick, are you a registered lobbyist?

MS. PENDERGAST: No.

COUNCILMEMBER RAWLINS-FERNANDEZ: Did you register with the County?

MS. PENDERGAST: No.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And then Member Paltin asked my...my other question.

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MS. PENDERGAST: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Mahalo, Chair.

CHAIR KAMA: Member Sinenci?

COUNCILMEMBER SINENCI: Real quick, just to clarify, you said 8 percent of the 614 that you surveyed?

MS. PENDERGAST: Yes, correct.

COUNCILMEMBER SINENCI: Okay. Thank you.

CHAIR KAMA: Thank you. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Sorry, the follow-up to that is, are you going to register as a lobbyist for RAM?

MS. PENDERGAST: As president, I don't know that I need to, but I'll find out.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo. Mahalo, Chair.

CHAIR KAMA: Thank you. Okay. So, we're going to take Pamela Reader as our last testifier, and then we'll go to lunch. Pamela?

MS. READER: Aloha, Chair and Councilmembers.

CHAIR KAMA: Aloha.

MS. READER: My name is Pam Reader. I'm a long-time Lāhainā resident, former educator on the island, a wife, a mom, and a fire victim, and I'm also a Maui realtor. My family lost our home in the August 8th wildfire, and we've been navigating the painful, slow road of recovery ever since. I'm here today to respectfully and strongly oppose Bill 9. As a realtor, I've seen the inside of many of these vacation rental units. I know the layouts, I know the carrying costs, and I know they are not a viable solution for displaced fire victims. Many are too small, not set up for full-time living, and the HOA fees, special assessments, and insurance premiums make them financially unworkable for most local families. I'm intimately aware of what it takes to maintain these units, and converting them to long-term housing is simply not realistic. After the fire, every single one of my clients who owns a vacation rental reached out to offer their home to those of us who had lost everything. That generosity and aloha should not be ignored or vilified. This bill will not create housing for fire victims. What it will do is create confusion, more division, and more red tape, while families like mine are still trying to rebuild. I have friends who are paying a mortgage, rent, and HOA fees all at once while their rebuild permits sit in limbo. They are doing everything right, and yet are being pushed toward financial ruin. As a mom, I also think about the future. My daughters will be going to college in the next few years, and my hope is that they can return to a Lāhainā that they recognize, one that still has a heart and history, where they can find housing they can

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actually afford, and a community they can contribute to. This bill does not move us towards that vision. Lāhainā needs real solutions, expedited permitting, support for rebuilding . . .(*timer sounds*) . . . infrastructure investment, and actual housing programs that work. This bill is not one of those solutions. It is a distraction from the urgent needs of our community. Please don't pass legislation that makes life harder for the people trying to come home. We've lost enough. Mahalo for your time.

CHAIR KAMA: Members, questions for our testifier? Seeing none. Thank you so very much.

MS. READER: Thank you.

CHAIR KAMA: Okay. Members, we have reached our planned lunch recess, seven minutes late. So, it is now 12:37 on June 9th, 2025, and the meeting of HLU is now in recess until 1:30 p.m.

COUNCILMEMBER PALTIN: Oh, can we have seven more minutes?

CHAIR KAMA: You want seven more minutes? There's five of us. Do you want seven more minutes? So, you want 1:37?

UNIDENTIFIED SPEAKER (FROM THE AUDIENCE): No.

COUNCILMEMBER PALTIN: Okay. Never mind.

CHAIR KAMA: Okay. Thank you. 1:37. 12:37 to 1:30. . . .(*gavel*) . . .

RECESS: 12:37 p.m.

RECONVENE: 1:37 p.m.

CHAIR KAMA: . . .(*gavel*) . . . May the recessed HLU Committee meeting of June 9th, 2025, come back to order. It is now 1:37 p.m. Staff, would you please call the next testifier on the list?

MS. MCKINLEY: Chair, returning to David Switzenberg, if he is in the Chamber, it is your turn to testify, to be followed by John Angel if...if you are here. Otherwise, proceeding with the list. The next testifier is Jordan Hocker, to be followed by Susan Deloria, and then Shannon I'i. (*pause*) Jordan Hocker, you may go ahead. Thank you.

MS. HOCKER: Aloha, Members of the Housing and Land Use Committee. Aloha, Chair Kama and Vice-Chair U'u-Hodges [*sic*], wherever you are. Aloha. My name is Jordan Hocker. I am the Community Outreach and Education Coordinator for the Maui Housing Hui, and once again, I'm here in front of you talking about renters' issues. Maui Housing Hui took the time on this issue to prepare a cost-benefit analysis, which other members of our team will talk a little bit about. But the main purpose of this cost-benefit analysis was to represent externalities and additional costs to our community outside of the UHERO report. The thing that I found most impactful when I was researching my part of this was how there is a direct positive correlation between rental prices and STR

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saturation. This has been well-documented in places like San Francisco, New York, and Boston. In New York, some of the cases in certain boroughs, like Brooklyn, saw that as short-term rentals proliferated, about 44 percent was the increase on their rental prices. We can't look away from this issue anymore, okay? And I'm in front of you a lot. \$25 million per district is what it would take to bring people out of cost burden status, and after doing budget hearings, you know we don't have that for every single district. It's a nuanced issue, but it does come down to available inventory. So, yes, to quote STR owners, it is about supply and demand, but there's an additional element here that was identified in San Francisco. When we have a high amount of short-term rentals, that pool typically takes directly from a long-term rental pool. So, when they are converted, most of the time, they were formerly long-term rentals. And so, you don't just have an affordability issue where there's a limited inventory driving up prices, you actually have an STR inventory taking directly from long-term rentals. And the reality for our work . . .(timer sounds). . . and what our bottom line is, is that renters occupy that 70 percent AMI and below. These are the people most at risk of becoming unhoused--which we shell out a lot of money to not take care of that issue--but they're also the people most in danger of having to move. If you do not have property and property ties here, then you're likely renting, and you're going to seek greener pastures, or you're going to end up sleeping in your car. And if you own one unit, two units, three units, you own property at all, you are leagues above in terms of what you have than the people who are really on the receiving end. The reality is, this type of gentrification comes for the people who are most vulnerable. There's no way around that. It's represented in research and data. It is not up for debate. It is a fact. Gentrification hits the people who are at the lowest among us the hardest. And in that case, that is our renters. If you are not going to stabilize our rental prices, Bill 9 is our best bet. . . (timer sounds). . . And it is why we are in support of Bill 9. We need additional inventory released to long-term rentals. The reality is, the costs that are outlined by these STR owners, we're already paying that. We're already paying that, we're already here. So, thank you for that.

CHAIR KAMA: Thank you. Questions? Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Hocker. So, I just wanted to clarify what you were saying about STR saturation and rental prices. It's not necessarily that those bottom people would be the ones to move into the STRs, but that it would bring down the rental prices if it wasn't so saturated?

MS. HOCKER: Yeah. So, functionally, STRs...STR conversion--like in the case of the Minatoya usage, particularly for ones that were formerly residential properties--pull directly...typically directly from a long-term rental pool. And so, that is...it's both a demand issue...it's both a housing affordability issue, but it is additionally an inventory issue. Did that answer your question?

COUNCILMEMBER PALTIN: I believe so, yes. Thank you.

MS. HOCKER: Thank you.

CHAIR KAMA: Any others? None? Thank you so very much.

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MS. HOCKER: Thank you so much.

CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Susan Deloria, to be followed by Shannon I'i, and then Karen Smart.

MS. DELORIA: Aloha, Chair Kama --

CHAIR KAMA: Aloha.

MS. DELORIA: -- Vice-Chair [sic] Cook, and Committee Members. My name is Susan Deloria, and I've lived in Lāhainā for over 33 years. I am here in strong opposition to Bill 9, which seeks to phase out legal transient vacation rentals in Apartment-zoned districts. While I support efforts to address the housing crisis, this bill will create unintended harm to local families, small businesses, and Maui's economy. Thousands of residents rely on TVRs for employment--cleaners, handymen, contractors, property managers, and many others. Removing these rentals will lead to job loss, income reduction, and decreased spending at local businesses. The County will also lose significant revenue from TAT, GET, MCTAT, and general economic activity. This will likely increase pressure on other property owners and renters, raising costs across the board. We should focus on real solutions. Enforce already-existing laws on illegal rentals, not punish legal ones. Require developers to include affordable housing. Tax large hotels fairly. Allocate resources to Hawaiian Homes and HUD programs, and utilize County and State land to actually build affordable housing. TVRs have existed legally for decades, long before many large hotels. They keep money circulating locally, unlike corporate resorts. This bill threatens our recovery, and risks legal challenges that will cost the County even more. Please vote no on Bill 9. Let's work together on solutions that strengthen, not divide, our community.

CHAIR KAMA: Members, questions for the testifier? Seeing none. Oh, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha. Mahalo for your testimony.

MS. DELORIA: Aloha.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, you're an owner of an STR, a Minatoya property?

MS. DELORIA: I am an owner of an STR. It's actually in the Hotel zone.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, it's in Hotel zone?

MS. DELORIA: Uh-huh.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo. Mahalo, Chair.

COUNCILMEMBER COOK: Chair, I...

CHAIR KAMA: We have another question for you, Ms. Deloria.

COUNCILMEMBER COOK: No, I...I don't have a question, Chair.

CHAIR KAMA: Oh, yes.

COUNCILMEMBER COOK: I wanted to make an announcement for people to understand that last year, I was the Vice-Chair of the --

CHAIR KAMA: Oh, yes.

COUNCILMEMBER COOK: -- Housing and Land Use Commission --

CHAIR KAMA: Yeah.

COUNCILMEMBER COOK: -- I mean Committee, and this year, it is...Councilmember U'u-Hodgins is the --

CHAIR KAMA: Yeah.

COUNCILMEMBER COOK: -- is the Vice-Chair.

CHAIR KAMA: Yeah. Thank you.

COUNCILMEMBER COOK: Just for clarification...because I think there's been some confusion on that.

CHAIR KAMA: Right.

COUNCILMEMBER COOK: I don't mind. I mean, I'll step up if you need, but it's really not my role.

CHAIR KAMA: Okay.

COUNCILMEMBER COOK: Thank you.

CHAIR KAMA: Thank you, Mr. Cook, for reminding us that you are not the Chair [sic] of this Committee, that Member U'u-Hodgins is, but yes. Thank you. You may continue.

MS. I'i: Aloha mai. O wau o Shannon I'i. Listening to testimony and hearing testifiers say they own six, three, two short-term vacation rentals brings eha to my na'au because I have 'ohana and friends of this 'āina who have moved away, who have been replaced by people who say, Maui mama called to me after a vacation or two. I continue to hear about tourism and revenue. What about community, and the people of this place? I

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come before you, not just as someone who lost everything in the fire, but as a kupa of Lāhainā, generational daughter of Maui Komohana. My roots are in this ‘āina from the kumu...from the kumuwai of Kahoma to the rains of Paupili. This is not just where I live, this is who I am. I’m speaking today in strong support of Bill 9 because our people are tired, but will continue to ku‘u in immovable stillness. We are tired of watching our communities get carved out for outside gain while we are left fighting for scraps, but we will continue to do so for and with the generations to come. The Lāhainā Strong community is not just about disaster response. It’s about long overdue justice. It’s about reclaiming our homes, our spaces, and our right to stay here in our own homeland. I currently live at Ka La‘i Ola, a temporary solution by the State of Hawai‘i, an approximate 500-square-foot fishbowl. So, don’t you dare, the opposition, use the excuse that these condos cannot be used to house our local community. We will make it work because that’s what we’ve always done, but we will no longer let this continue. Don’t tell me there’s no space because we are to the point where ‘ohana have moved away, are Kanaka living in tents on the beach or parked in their cars, living in parking lots. We are in a housing crisis, one that existed long before the fire, and I can tell you right now, any local family would gladly live in one of those condos that sit empty most of the year while they get rented out to tourists. It is shameful and disgusting, quite frankly...but most importantly, it is not pono. Bill 9 helps to close the loophole . . .(timer sounds) . . . that’s allowed the misuse of the Minatoya option for too long, turning our residential spaces into money machines for people who don’t even live here. This is not about taking something away. It’s about restoring what should have never been taken in the first place. This bill is not about anti-business, it’s pro-community. It centers aloha ‘āina and the understanding that the land is not a commodity, but a living relative, one that calls us to care for each other collectively, not individually. We’ve had to fight tooth and nail for every single inch of justice since August 8th, but this fight started long before then...and it will continue long after until we see real change for Lāhainā and Maui Nui A Kama, for all the families who simply want to come home, including my own.

CHAIR KAMA: Thank you.

MS. IT: Mahalo.

CHAIR KAMA: Members, questions for the testifier? Member Paltin?

COUNCILMEMBER PALTIN: Thank you. So, just clarifying a couple things, that...the ones that should have never been taken away in the first place. You’re referring to the 2016 codification of the Minatoya list?

MS. IT: Yes.

COUNCILMEMBER PALTIN: And the fishbowl you live in, it’s a Nano Nest?

MS. IT: It is. Sorry.

COUNCILMEMBER PALTIN: No, I mean, it does look like a fishbowl, but I just wanted to clarify. Thank you.

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MS. IT: Yes.

CHAIR KAMA: Thank you. Ellen?

MS. MCKINLEY: Chair, the next testifier is Karen Smart, to be followed by Jade Moreno, and then Kamauno...sorry, I didn't practice...Kahaialii...

CHAIR KAMA: Kahaialii.

MS. MCKINLEY: Aialii. Thank you.

MS. SMART: Aloha, everyone. My name is Karen Smart. I oppose Bill 9. I would like to start with a plea to consider an amendment for the local residents who own an STR to be able to keep it. Taking an STR from a local family is not the right thing to do, and it will hurt a local resident. Do we care about all local residents, or just some local residents? So, if Bill 9 is passed, I hope you consider to amend Bill 9 to say that if you're a full-time resident of Maui, you're allowed to keep your current STR. However, I think Bill 9 needs to be scratched entirely. It may sound like a good idea, but this last year has...has proved that eliminating STRs will not help the local housing crisis at all. This past year, tons of these Minatoya list condos have been sitting on the market at almost half the price that they were a year ago, more than the UHERO study said it would do, and they are not selling. They are sitting there. Locals are not buying them due to the high monthly costs. Mainland investors will buy them eventually, but they are waiting to see how Bill 9 plays out first. Then investors will not long-term rent them out because the costs are double what they could get for long-term rent. It doesn't make sense for them. Also, as these Minatoya list condos have gone down in price, all other condos and houses went up in price, which resulted in less affordable housing than before the bill was introduced. So, we...we need to scratch the Bill 9. The UHERO report and what we know now from the past year are hard-proven facts. The decision needs to be based on facts. There are other better options in the works. I know HLU [*sic*] has budgeted billions of dollars to build several new affordable housing units that will be subsidized. That is what the Maui residents need and want. Maui residents will be in a huge line for that housing, but nobody is standing in line for these Minatoya list condos. Some have argued that the County should buy the STRs at current discount...at the current discounted prices . . . (*timer sounds*) . . . and provide them to Maui residents for affordable housing, as they are existing condos instead of building new houses. That might be a great option right now, as many are on the market and ready to buy. Let's buy them up and subsidize like you would do for the new houses. Do that. I'll sell you mine right now. Then the STRs that don't sell can generate revenue to help subsidize and pay for the ones that they purchased. It would save the County some money to just buy these condos for sale rather than passing Bill 9 and fighting a ton of legal battles. The County could buy some STRs and build some new affordable housing if we still need it, which would be a good blended solution, as we will not lose all the STR and tourist dollars, and we will still have affordable housing. Then the greater good--as quoted by somebody--the greater good for all Maui residents will have been met. Let's not help...let's help, not hurt Maui residents. Scratch Bill 9. Mahalo.

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CHAIR KAMA: Thank you.

MS. SMART: Yeah.

CHAIR KAMA: Members...Member Paltin has a question.

MS. SMART: Okay.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Smart. How many short-term rentals do you own?

MS. SMART: I have two.

COUNCILMEMBER PALTIN: And what years did you purchase them?

MS. SMART: I had to look up the last...the first one. 2015, and then 2020.

COUNCILMEMBER PALTIN: And you said they are selling at half the rate that they were selling last year. Is that what you said?

MS. SMART: Since the...since the bill was introduced, and all the ST...all the...all those STRs are up for sale because nobody...you know, the ones that can't afford them are selling them, or maybe they don't think it's a good investment anymore because they're...it...it costs twice as much as you could get for rent. And me personally, I...I can't...I...I...I need to sell mine. And that's fine, that's fine. Let the County buy it, let them subsidize, let...let people have housing. I'm okay with that, I just...you know.

COUNCILMEMBER PALTIN: And...and it's half of what...just wanting to clarify, it's half of what it was before the bill was introduced --

MS. SMART: Yeah. Yes.

COUNCILMEMBER PALTIN: -- is what you're saying?

MS. SMART: It's about 40 to 50 percent discount, so...

COUNCILMEMBER PALTIN: And does that equate to, like, the price when you purchased it?

MS. SMART: When I purchased it...I'll tell you how much. I purchased my...my 2020 one was for 500,000, and it went up to a million, and now it's down to...people are...they'll probably get rid of it for 600,000. So, I'll just break even, which is, you know.

COUNCILMEMBER PALTIN: Thank you.

MS. SMART: That's...I...if you guys want them, take them.

COUNCILMEMBER PALTIN: Thank you. I'm...I'm done.

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CHAIR KAMA: Chair Lee?

COUNCILMEMBER LEE: Yeah, I have a question. So, you have two units on the market for 600,000?

MS. SMART: No, I have...the...the Pacific Shores condos, it...it...I had it on the market for six months, nothing was moving, so I'm kind of waiting to see what happens here because it's just going to look like an old listing, so mine won't sell as fast as the others. It's just a smart thing to do, because it's just dead.

COUNCILMEMBER LEE: Okay. So, the one that you have for sale for about \$600,000...

MS. SMART: No.

COUNCILMEMBER LEE: No?

MS. SMART: No, it's not up for sale right now. I'm waiting to see. They're all dead in the water. It's been...it had been up for sale for six...I mean, for six months.

COUNCILMEMBER LEE: Okay.

MS. SMART: And then nothing happened, so I pulled it.

COUNCILMEMBER LEE: And what was it for sale for?

MS. SMART: I'm sorry, what?

COUNCILMEMBER LEE: What was the sales price at that time?

MS. SMART: At that time, it was a year ago, and it was, you know, almost worth a million or whatever, so I...I put it at 900,000, and then I went down to...I think I lowered it, and then we talked about lowering it again, and it was just dead in the water, so I just thought I would just wait and see how --

COUNCILMEMBER LEE: Okay.

MS. SMART: -- all the other ones go.

COUNCILMEMBER LEE: So, that unit, what are the HOA fees for that unit?

MS. SMART: It's...I think someone just said it was 1,400, but I can't remember, I don't know. I think it's...I think --

COUNCILMEMBER LEE: Do you remember what your mortgage is?

MS. SMART: -- I think it might have gone up this year. Hmm?

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COUNCILMEMBER LEE: Do you remember what your mortgage is? You don't have to share, but...

MS. SMART: Yeah, I do, I had to put a big down because it's an STR and a business, so I had to put like 30 percent down, so it made my payments lower. Anybody else that buys it, going to have to pay more, you know, monthly...because they're not going to put 30 percent down.

COUNCILMEMBER LEE: Okay. And you have this in Lāhainā or South Maui?

MS. SMART: This is South Maui. Both of them are in Kihei.

COUNCILMEMBER LEE: Both Kihei. All right. Thank you.

MS. SMART: Thank you.

CHAIR KAMA: Thank you. Any other questions? None? Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Jade Moreno, to be followed by Kamauno [sic] Kahaialii, and then after that, Cory McKim.

MS. MORENO: Aloha, Chair and Councilmembers. My name is Jade Moreno, I'm with the Maui Housing Hui, and I'm testifying today in strong support of Bill 9. I'd love to come here and talk about the cultural costs of the status quo, but it's clear to me that the economic conversation surrounding Minatoya needs to be grounded in a more balanced context. Some folks boil economics down to the concept of supply and demand. This is a foolish oversimplification of a complex issue with economic drivers and systemic flaws that led us where we are today, here in a Council Chamber discussing a market failure, and the responsibility of governing bodies. Market failure exists because the market does not hold the solution to every problem. If the housing market does not provide housing for the people who live here, this is a market failure. When market failures occur, it is the government's job to step in with thoughtful policy to correct the failure. Bill 9 is one such policy. Our housing crisis is the result of many things, including the outsized influence of developers, the rise of STRs, a policy preference for protecting speculative investments, long construction timelines, limited water availability, the devastation of the wildfires, an inequitable landlord-tenant code, and a weak political appetite for challenging the notion that capitalism holds the answer to our problems if we just let the market do its thing. The status quo got us here, and it certainly won't get us out of this crisis. If we keep treating speculative, off-island investors' potential profits as more valuable than the provide...than providing opportunity for basic needs like housing, our crisis will go from bad to worse as a matter of inevitability. What happens when we prioritize local families? When homes are occupied by local families, the money they spend stays in the community. It moves through local shops, services, school activities. Economists call this the velocity of money. Each dollar spent locally . . .(timer sounds). . . typically generates up to \$10 in additional economic value, and that's spent again and again, and creates a more stable economic activity. In contrast, money leakage is what happens when...when short-term rental owners who live off-island take their money with them. I encourage you to review

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the cost-benefit analysis that we've emailed to all the Councilmembers, and I have a paper copy if anyone would like one. It quantifies this impact in far more detail. It shows that while STRs generate tax revenue, the benefits to local families of returning these homes to long-term use far outweigh the costs. We gain not only housing, but also a higher economic circulation, reduced homelessness, lower public health costs, stronger community cohesion, and we would slow the cultural costs that we have been paying as well. We cannot afford to continue to let tourism cannibalize our communities. This bill is a step forward that is grounded in solid economics, public interest, and local values. Please vote yes on Bill 9. Mahalo.

CHAIR KAMA: Thank you. Questions, Members? Seeing none. Thank you so much.

MS. MORENO: Thank you.

CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Kamauno [*sic*] Kahailii...Kahaialii...sorry...to be followed by Cory McKim, and then Kathleen Cardenas Haro.

CHAIR KAMA: I don't see him. I don't see him in the audience.

COUNCILMEMBER PALTIN: Chair?

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: I think Kamaunu left, but maybe it might be a good time to let people know if they're in person, and they signed up and their name gets read, they could testify virtually if they --

CHAIR KAMA: Yeah. Yeah.

COUNCILMEMBER PALTIN: -- have to go someplace else, right?

CHAIR KAMA: Okay. Okay. Yeah. Okay. So, if you're here in the Chambers, and you have to leave, you can always come online...you know, if you have to leave, get back online, and then if we...if...and if your name comes up when you're online, you can still go back to that same number if you've got...leave and go do something. But yeah, I don't see Kamaunu in here either. But thank you. Who's next?

MS. MCKINLEY: Chair, the next testifier is Cory McKim, to be followed by Kathleen Cardenas Haro, and then Annie Alvelais.

CHAIR KAMA: Cory.

MR. C. MCKIM: Aloha, Chair Kama and Committee Members.

CHAIR KAMA: Aloha.

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MR. C. MCKIM: My name is Cory McKim, and I stand before you today as a full-time resident of Maui, and a local business owner that's feeling the weight of changes happening across our island. I want to share what this...what this proposed phase-out of short-term rentals truly means, not just for our economy, but for families like mine, and for every person we work with every single day. Directly or indirectly, everyone on Maui is connected to the visitor industry. Unfortunately, due to the geographical location of Maui, we are not able to export products that employ a large number of local workers. A 2024 University of Hawai'i Economic Research Organization, UHERO, report identified potential opportunities to diversify the State's economy by analyzing the variety of industries across the counties in the U.S. and Hawai'i. The conclusion of this UHERO report is that the industries we found--that's UHERO--for diversifying the economy will be incredibly difficult to establish. Industries like aquaculture. Still, it is not clear which industries in Hawai'i could diversify into, and that was the conclusion of their report. Even the \$1.558 billion budget that was passed by the Council will depend on short-term rental revenues. Our local businesses have already navigated immense challenges from local shifts to County-level hurdles, all exacerbated by incredibly low tourism levels. We do not need more reasons to downsize, or close our doors. When our small business...local businesses thrive, they create a positive ripple effect right here on Maui. They boost our economy, create jobs for our neighbors, and foster a deep sense of identity and pride. These are the businesses that keep money circulating on our island, not shipping profits off to the mainland. We need to . . .*(timer sounds)*. . . this Council, the County, to protect its residents on every single front--in housing, yes, but also in employment, education, and access to services, and economic opportunity. We need a balanced approach. We cannot afford one that simply cuts off critical resources of income and support without a viable alternative. I believe Maui residents...residents of Maui, that's us, deserve better than substandard housing. Take the revenues derived from short-term rental taxes, and truly invest it into proper housing. All residents of Maui deserve to live in proper housing that is affordable. Build...build proper housing at affordable rates for all residents of Maui. As you consider tabling this bill, or amortizing legal codified short-term rentals until 2030, ask yourself, will any of these legal...legally-codified short-term rentals become more affordable in the next five years? We all know that the prices of basic necessities like . . .*(timer sounds)*. . . eggs have skyrocketed. Will this bill benefit...be beneficial to all concerned? Thanks for your time, I appreciate it.

CHAIR KAMA: Thank you.

MR. C. MCKIM: Thank you.

CHAIR KAMA: Members...Member Paltin, have a question.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. McKim. I just was wondering how many short-term rentals you own?

MR. C. MCKIM: Yeah. I own two, and I've owned them since 2019 and 2021. And I was also told that they were legally-codified, they weren't grandfathered or legacy, so...

COUNCILMEMBER PALTIN: Thank you.

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MR. C. MCKIM: Yeah. You're welcome.

CHAIR KAMA: Anybody else, no?

MR. C. MCKIM: That's it?

COUNCILMEMBER PALTIN: That's at the Kauhale Makai also?

MR. C. MCKIM: What's that?

COUNCILMEMBER PALTIN: Those are at the Kauhale Makai?

MR. C. MCKIM: No...well, one of them is at Kauhale Makai, yeah.

COUNCILMEMBER PALTIN: Oh.

MR. C. MCKIM: It's a studio, yeah.

COUNCILMEMBER PALTIN: And the other one is at?

MR. C. MCKIM: Is at Maui Vista. Yeah.

COUNCILMEMBER PALTIN: Thank you.

MR. C. MCKIM: And all this knowledge you can find online, so...

COUNCILMEMBER PALTIN: Thank you.

MR. C. MCKIM: Okay. Yeah. Okay. Thank you so much.

CHAIR KAMA: Thank you so much. Oh, Member...Chair Lee?

COUNCILMEMBER LEE: I was just wondering if there is a compromise out there that we have not considered yet. And since you own two...two units that you use for short-term rental purposes, what incentive could the County propose that would be acceptable to you?

MR. C. MCKIM: Similar in nature to...we all need housing. That's why we're all here. No matter what side of the fence you're on, we all want the same thing. And it's good to have this debate. This is really, really beneficial. But to get the housing, it's got to be affordable. So, there's got to be some kick-ins, some subsidizing from the County. Whatever it is, especially for those that want to sell--either those that live here or those that don't live here--give them the opportunity to buy in, subsidize it accordingly, so it's affordable. Because costs are not going down. That's my point.

COUNCILMEMBER LEE: Thank you.

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MR. C. MCKIM: And I just had a sandwich down the road, and it was 20 bucks just for the sandwich. So, costs aren't going down.

CHAIR KAMA: Thanks. Member Cook?

COUNCILMEMBER COOK: Thank you. Thank you for your testimony. What's like the age of the two units that you own, and what is like the condition and the maintenance requirements for them, briefly?

MR. C. MCKIM: Yeah. Built in the '70s. We always have some assessments coming up. Luckily, at both places, they're pretty well-managed, so those assessments get built into the monthly HOA costs. This is what people don't understand is, if they're not built into the HOA costs, they keep going up, and they'll keep going up. There's no control over that, just building materials, insurance, et cetera. Or you'll get hit with a one-time assessment. And if you talk to people at, for example, Kamaole Sands, talk to anyone that owns there, really tough going. Assessments into 2030, that's a one-time. Tough. Yeah. You're welcome.

COUNCILMEMBER COOK: Thank you, Chair.

CHAIR KAMA: Thank you.

MR. C. MCKIM: Thanks.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Kathleen Cardenas Haro, to be followed by Annie Alvelais, and then Stephanie Villalobos. Excuse me, Chair. It looks like Kathleen Cardenas Haro is online now, so I need to promote her. Just a moment, please.

CHAIR KAMA: Okay. Okay.

MS. MCKINLEY: She's unmuted on our end now. *(pause)* Kathleen, if you can find the microphone button, it's a little picture of a microphone up in the right...upper right-hand corner of your screen. You can click that. *(pause)* Chair, it seems she's having trouble unmuting. She's unmuted on our side.

MR. KRUEGER: Chair?

CHAIR KAMA: Yes.

MR. KRUEGER: Perhaps we'll post the phone testimony information in the meeting chat --

CHAIR KAMA: Okay.

MR. KRUEGER: -- and Kathleen might be able to use that to connect. We could proceed to the next testifier for now.

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MS. MCKINLEY: Chair, the next testifier is...pardon?

CHAIR KAMA: Go ahead. Anna.

MS. MCKINLEY: Thank you. The next testifier is Annie Alvelais, to be followed by Stephanie Villalobos, if we can't get Kathleen.

MS. CARDENAS HARO: Oh, hi. I got it to work. Can you hear me?

CHAIR KAMA: Yes.

MS. CARDENAS HARO: Sorry.

CHAIR KAMA: I think it's Kathleen.

MS. CARDENAS HARO: Okay. Can I go now, or...

MS. MCKINLEY: Yes, please proceed. Thank you.

MS. CARDENAS HARO: Okay. Aloha, everyone.

CHAIR KAMA: Aloha.

MS. CARDENAS HARO: My name is Kathleen Cardenas Haro, and I'm writing in...I'm testifying in strong support of Bill 9. I was born on Maui, and raised in Lāhainā by immigrant parents who came here with big dreams, but little money. Growing up, I saw firsthand how hard they worked, sometimes two or three jobs, just to afford rent. And even then, owning a home was never within reach. The cost of housing here is more than just high, it's a barrier that holds families like mine back from stability, security, and the ability to plan for a future. Affordable housing isn't just about buildings, it's about people. It's about the aunty who's been working at the same local store for 20 years, but still can't afford to live nearby. It's about the kids who grew up moving from rental to rental, never feeling rooted. It's about dignity, opportunity, and keeping our communities intact. Lāhainā is a place rich with culture and history, but we're losing the people who are that culture because they simply can't afford to stay. That's not just sad, it's a crisis. We need housing that matches the realities of local families, not just outside investors. I speak today not just for my parents, but for every working family who has given their all to this community, and still can't find a place to call their own. We need affordable housing, not tomorrow, but now, because everyone deserves a chance to live where they belong. Mahalo.

CHAIR KAMA: Thank you. Members, questions? Seeing none. Thank you so much.

MS. MCKINLEY: Chair, the next testifier is Annie Alvelais, to be followed by Stephanie Villalobos, and then Josh McKim.

COUNCILMEMBER PALTIN: You got to unmute. There's a microphone button in the upper-right corner.

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CHAIR KAMA: Yeah. I think she's walking. *(pause)*

MS. MCKINLEY: It's right next to the video button that you apparently unmuted, just to the right.

COUNCILMEMBER PALTIN: You...you muted your video now. It's the one next to that.

MS. ALVELAIS: Can you guys hear?

CHAIR KAMA: We can hear you, Annie. We can't see you now.

MS. ALVELAIS: Okay. Okay.

CHAIR KAMA: I mean Kathleen [*sic*].

MS. ALVELAIS: I wasn't...yeah. We...let's see. I don't know if this will work. I tried to...hi. Yeah. All right. I see where it said the mic button, but it didn't actually let me press it. So, thank you --

CHAIR KAMA: Okay.

MS. ALVELAIS: -- for your patience with the tech. But...yeah. My name is Annie Alvelais, and I am...on behalf of Roots Reborn, I'm here today to express support for Bill 9. Roots Reborn is a nonprofit that was started, as many of you all know, after the fires to support the immigrant and migrant community through their recovery process. So, I'd like to share a few stats from our financial future, which is a financial education program that we are in the process of wrapping up, which provided direct aid to displaced individuals who were impacted by the 2023 wildfires...and part of that was a pretty extensive emotional well-being questionnaire. We wanted to--in partnership with UHERO, who has been named a lot today--in partnership with them, we wanted to study the impacts of direct aid on emotional well-being. So, one of the questions that we asked was what is...like what would support your recovery and your sense of wholeness? And 66 percent of our participants named safe and stable housing as their top need. So, it's not just a common one, but it was the number one answer across the board. As has been said many times today, the...you know, the fires didn't create a housing crisis, but they just really amplified an existing one. So, of our participants, 54 percent of them became houseless, though many are now temporarily sheltered, and over 60 percent have moved more than three times since the fires. So, for people that are saying, you know, that...that it's affordable housing, it's just there's lack of options. We know that FEMA was stepping up and covering the costs. There were different organizations that were covering the cost of housing, but there weren't access to housing options. While data can't ...*(timer sounds)*... speak to the individual ...*(inaudible)*... of the community that we serve, it can hopefully reflect the voices of those who may not be present today due to fear of being there in person. One of the most powerful lessons I learned through my last role in a disaster response work, which is what brought me to Maui, is the importance of listening, and truly listening, to those that you are serving. It's not our place to decide what's best for them, assuming what they need, but really,

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centering their lived experience. And so, for those in oppositions that say these units aren't fit for residents, they're not big enough, they don't have enough parking spaces, they're just not ideal, I ask that you please listen to the voices--which you're obviously doing through this process--of the people who are in the room, and are saying...telling you what they need. Mahalo for your time.

CHAIR KAMA: Questions? Nope, seeing none. Thank you so much. Staff?

MS. MCKINLEY: Chair, the next testifier is Stephanie Villalobos, to be followed by Josh McKim, and then AnnDionne [sic] Selestin. *(pause)*

CHAIR KAMA: Stephanie?

MS. MCKINLEY: Chair, she's unmuted on our end.

MS. VILLALOBOS: Hi, my name is Stephanie Villalobos. Can you guys hear me?

CHAIR KAMA: Yes, we can.

MS. VILLALOBOS: Okay. Hi. I wasn't born on Maui, but I am...I've been deeply connected to this community. I've seen how Lāhainā has shaped people, and how its heart lies not only in buildings or beaches, but in the people--the aunties, the uncle, the keiki, the kūpuna who give it life. That's why I stand in strong support of phasing out short-term rentals. This issue goes beyond policy. It's about protecting a way of life, one that's slipping away because housing is increasingly out of reach for people who call this place home. You can rebuild structures, but you cannot rebuild a community once it's been pushed out. Without housing, there's no community...and without people, there's no Lāhainā. We are often told that STRs help the community, but who do they really help? Investors, not the residents. The money leaves, and the people who build this place are forced out. Local workers aren't benefiting, they're being displaced. Some say local work...locals work in tourism, so they should support STRs. But many of those jobs, like cleaning and managing properties, go to people from outside the community, while local workers are pushed farther from where they work and live. It is time to prioritize people over profits. Let's protect what's left. Let's rebuild together...not around the community, but with it. Let's make sure Lāhainā remains a place where future generations can live, grow, and thrive in homes, and not hotels. And I'm from Lāhainā, so that's why I'm...like more about Lāhainā, but it's more about Maui too, you know? Thank you for your time.

CHAIR KAMA: Thank you. Members, questions for our testifier? Seeing none. Thank you so much. Staff?

MS. MCKINLEY: Chair, the next testifier is Josh McKim, to be followed by AnnDionne [sic] Selestin, and then Anna Barbeau.

MR. J. MCKIM: Hello, Council. I'm Josh McKim. Thank you for taking the time to listen to my testimony. I reside full-time on Maui with my wife and my six children...I know, we're the Brady Bunch. We run a small vacation rental business managing properties.

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My son works with me full-time as well. Out of the 22 units that we manage, if this bill were to pass, we would lose 17 of those, and I...I really don't honestly know what we would do, and we'd be pretty much out of business. So, I do oppose this bill. Whenever I've come across large, complex problems, I've typically seen that it's usually a more organic grassroots movement that is probably the better solution versus a grand from the top solution. And...for example, what we did personally with, say, children that don't have homes is, we've done foster care, and three of my six children are adopted. And I knew that I couldn't, you know, take care of the crisis with children without homes, but I could do my part, and I could meet a small need, and that makes a big difference in those individuals. We did the same thing after the Lāhainā fires. We couldn't house everybody, but we did make the units available, and we housed everybody that asked for housing, no charge, as long as they needed. And that's how I saw, I think, the community came together in that time. Since then, it has seemed that there is a lot of community division, and I just...I kind of wanted to refocus us on what we can do as individuals. What I'm personally doing, I...I have two long-term rentals that are in development. I'm about two months out from being shovel-ready, and I do plan to take out a large loan, and build those, and have those be long-term rentals. Because this is a real crisis, and we need real solutions. And I do just ask the Council to look at all the little things that can be done to help development, to help us provide housing, permitting process. And just on an encouraging note, I had started these before the wildfires, and I've seen a dramatic shift at the Planning and Zoning Department, Building Department. They've been much easier to work with. They...they streamline things. They got through these...through the process much quicker, and were very easy to work with, and very helpful. . . .(timer sounds). . . Thank you so much.

CHAIR KAMA: Thank you. Members, questions? Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. McKim. How many short-term rentals did you say you owned?

MR. J. MCKIM: I manage units. I don't personally own them.

COUNCILMEMBER PALTIN: You don't own any short-term rentals?

MR. J. MCKIM: I don't personally own them.

COUNCILMEMBER PALTIN: And then the two long-term rentals that you were going to build, you're building that on existing property?

MR. J. MCKIM: Correct.

COUNCILMEMBER PALTIN: Okay. You might want to contact Real Property because they're charging you short-term rental rates for your property.

MR. J. MCKIM: Yeah. That's...that's not a...it's not Minatoya. So, I do have a lot with an STRH license, and that's where I'm building the long-term housing.

COUNCILMEMBER PALTIN: Okay. Thank you.

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MR. J. MCKIM: Yeah. Thank you.

COUNCILMEMBER LEE: Chair?

CHAIR KAMA: Member...Chair Lee, yes.

COUNCILMEMBER LEE: On the two [sic] units that you're managing, how many people do you employ to maintain those units?

MR. J. MCKIM: Yes, great question. So, we have my son and myself that are full-time, and then there would be obviously maintenance men. We would have...we have a large cleaning company. They have about seven or eight employees.

COUNCILMEMBER LEE: Seven or eight employees. So...and how many people do you expect to hire to maintain the long-term units?

MR. J. MCKIM: Yeah. So, previously I had two other employees, and we were have...we had to downsize post-wildfires. Everything has just been much...at much lower rates, much lower, as everybody knows. So, I would hope to rehire those over time.

COUNCILMEMBER LEE: So, two people for the two long-term units?

MR. J. MCKIM: Oh, for long-term?

COUNCILMEMBER LEE: Yeah.

MR. J. MCKIM: I'm sorry, I misunderstood. I thought you meant on the short-term.

COUNCILMEMBER LEE: No, you answered that question.

MR. J. MCKIM: Okay.

COUNCILMEMBER LEE: And then for long-term, how many people do you plan to hire?

MR. J. MCKIM: It would be primarily probably just for the construction. So, that would all be going into the local economy. It's going to be about a million dollars for the construction.

COUNCILMEMBER LEE: Oh, you're going to do the maintenance yourself then for...

MR. J. MCKIM: Yes.

COUNCILMEMBER LEE: Okay. All right. Thank you.

CHAIR KAMA: Okay. Thank you. Thank you. Staff?

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MS. MCKINLEY: Chair, the next testifier is AnnDionne [sic] Selestin, and then we do see that Kamaunu Kahaialii is back online...is online now, and then after that, we would go with Anna Barbeau.

CHAIR KAMA: Okay. *(pause)*

MS. MCKINLEY: AnnDionne [sic] Selestin, it's your turn to testify if you'd like to unmute yourself. *(pause)* Microphone icon in the top-right corner. *(pause)* Chair, would you like us to move on to the next testifier --

CHAIR KAMA: Yes, please.

MS. MCKINLEY: -- and come back? Okay. Chair, the next testifier is Kamaunu Kahaialii, to be followed by Anna Barbeau. *(pause)*

MR. KAHAIALII: E kala mai. Aloha. Hi, everybody. Are you guys...can everybody hear me?

CHAIR KAMA: Yes.

MR. KAHAIALII: Maika'i. Hey, aloha, Chair. And aloha to all the 'ohana, the Members of the County Council. Kala mai, I had to step out earlier, no ka mea, this was getting too late for me. I had to go to another meeting. But mahalo for the opportunity to māhele 'ana no ko'u mana'o regarding this very important proposal. So, my name is Kamaunu Kahaialii. I am in strong support of Mayor Bissen's courageous and compassionate proposal to phase out short-term rentals on the Minatoya list. This is not just a policy decision, it's a moral one. For too long, people of Maui have been pushed to the margins of their own homeland. Generational families, working-class residents, and kūpuna on fixed incomes are being priced out. Not because we can't contribute, but because the system is no longer working for us. Instead, it is being manipulated by outside investors, who profit from short-term vacation rentals, that drain our housing inventory, and...and inflate the cost of living. Let us be clear. These vacation rentals were never meant to become permanent commercial enterprises in our residential neighborhoods. What we're witnessing is...is not tourism, it's exploitation of our resources. The result is devastating. Skyrocketing home prices, shortages of affordable rentals, and erosion of community spirit, and a workforce struggling to find shelter, let alone build a future. I, for one, am one of the thousands who lost our home in Wahikuli, and I see this as a big plus for us. Mayor Bissen's plan to phase out these units is a necessary first step to restore balance. It is rooted in the values of pono, doing what is right for all the right reasons, not just what is profitable. By phasing out the short-term rentals, we open the door to workforce housing, teacher housing, firefighter housing, housing for kama'āina . . . *(timer sounds)* . . . who give back every single day. And I'm done.

UNIDENTIFIED SPEAKERS: . . . *(laughing)* . . .

CHAIR KAMA: Members, questions? Oh, Member Paltin, go right ahead.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Kahaialii. I just wanted to clarify the...the statement that you made about kūpuna, and people being priced out.

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That was also mentioned today many times by nearly everyone, including folks that own six short-term rentals, maybe, on this list. And so, I just wanted to clarify, what is the difference that you're seeing about people getting priced out, and someone who owns six short-term rentals getting priced out?

MR. KAHAIALII: Let's face it, the big difference between a person who owns six properties and the kūpuna getting priced out is pretty cut and dry. You know, we live in a society where one house, one family, lawa. And anybody who thinks they need six homes to live in Maui, it's really kicking themselves. They're part of the problem. They don't really see that the kūpuna are the links to the past. They're the ones that hold the values that we have been holding for the last 2,000 years. I guarantee you, this person who owns six properties, they have no interest in the language, cultural preservation, nor do they care about the care of the mālama or the kūpuna. If they did, I'd love to see that proved. But you could already see in their presentation, the kūpuna had nothing to do with their ownership of the six properties, nor did they ever plan to provide that. Anyway, e kala mai, I'm going to be ranting and raving on this. Kūpuna care is a very important factor for me.

COUNCILMEMBER PALTIN: And...

MR. KAHAIALII: Very, very important factor.

COUNCILMEMBER PALTIN: Just wanted to clarify also...

MR. KAHAIALII: . . .*(inaudible)*. . . and I will tell you that the short-term rental...

COUNCILMEMBER PALTIN: Lawa is enough. I mean, the translation of lawa.

CHAIR KAMA: Pau?

MR. KAHAIALII: Pau? Yeah, I think enough is enough. We cannot doubt these people capitalizing on our...our space, our ko kākou pae 'āina (*phonetic*), and not giving equal share for care to our lāhui, our kaiāulu. Kala mai.

COUNCILMEMBER PALTIN: Mahalo.

MR. KAHAIALII: Look, we have a...we have a choice to make. We either continue down the path for profit over people, or we take a stand for our residents, our culture, and our keiki. I think Mayor Bissen...no, I shouldn't say I think. He's on the right track. He's chosen to put people first. And so, I...I humbly ask that this Council support this proposal. Mahalo.

CHAIR KAMA: Maika'i. Thank you. Staff?

MS. MCKINLEY: Chair, we could try to return to AnnDionne [*sic*] Selestin. I saw that there was a phone call...someone called in just recently. If that's you, Anne, could you please raise your hand on Teams? I believe it's star-5.

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CHAIR KAMA: She just raised her hand.

MS. MCKINLEY: Go ahead and unmute, please. *(pause)* Please click on the microphone button in the upper hand right...right upper-hand portion of your screen. You could try logging off and logging back on, or calling in if you like. *(pause)* Should we move on to the next testifier? Chair, the next testifier is Noelle Bali, to be followed by Anna Barbeau, and then Richard Prata.

MS. BALI: Hi. Can you all hear me?

CHAIR KAMA: Yes.

MS. BALI: Hello?

UNIDENTIFIED SPEAKER: Hello. Yes.

COUNCILMEMBER PALTIN: We can hear you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes, we can hear you.

MS. BALI: Aloha, Chair and Council. My name is Noelle Bali, and I'm here to testify in support of Bill 9, and the phasing out of STRs in Apartment-zoned districts. I want to touch on the opposition sentiment of, if you just work hard enough. They say, if you just work hard enough, then you wouldn't be in this position, scraping for housing...as if we created this problem for ourselves. I was born and raised in Lāhainā, and like many of my generation, we were taught to follow the path to societal success--attain higher education, and start your career. Thereafter, graduating from the University of Oregon, and doing further education at Cornell School of Engineering, I spent a ten-year career working for the top S&P 500 companies. This perspective of us not...of us true locals being lazy, not ambitious enough, not working hard enough is false. To be of this place, to be of this community, is to recognize where the priorities are, and to adjust your needs against the needs of the whole. There are a lot of us locals actively on the search for a home, but deprioritize our own need because keeping our fire-affected home is more important than us getting more space or getting more comfortable. In contrast, only 6 percent of STR owners in West Maui signed long-term leases for fire survivors. This is the difference between being of this community, and taking from it. Being of this community means you want what's best for the collective, and not just your own benefit. So, if you're an STR owner, what has been your nonfinancial contribution to this place? What are you doing to be of this place? And to the Council, there's a common thread we hear of so many young adults who have pursued higher education and a career, wanting to come home, but are combated with the two things...housing and opportunity. So, what are you doing to rectify the societal expectation of encouraging our youth to get a higher education so they can eventually come back home to contribute? Will you bridge the gap for those ready to come home with fresh perspective, knowledge, skill, and experience? Will you invest in the belief that those born and raised here might have the solution that we've needed to solve so many of our long systemic issues? Or will you stand idle and allow those who don't have true pilina to Maui to continue to take precedence? . . . *(timer sounds)* . . . If you have children or grandchildren currently

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residing on the continent that are also this statistic, would you bridge the gap for them? I believe if you provide the housing, they will create the opportunity. When you make this decision, I hope it isn't just one that perpetuates a life of us struggling to remain here. I hope it's one that you know you're ready to inherit the effect of in your own personal life, in your kids' lives. I ask you to phase out STRs, keep people home, and provide an opportunity for more than half of the Kanaka on the continent to come home too. Let that be your legacy. Mahalo.

UNIDENTIFIED SPEAKERS: *(Applause)*

CHAIR KAMA: Members, please. Questions for our testifier, anyone? Seeing none. Thank you. Thank you much, Noelle. Staff?

MS. MCKINLEY: Chair, the next testifier is Anna Barbeau, to be followed by Richard Prata, and then Richard Van Barriger.

MS. BARBEAU: Aloha, my name is Anna Barbeau. I'm a West Maui survivor. I'm now housed in a condominium in Mā'alaea, for which I'm extremely grateful. It did not come from a short-term rental person. Kā'anapali Resort was created specifically for visitors. Within the resort grounds are Maui Eldorado and others offering visitor accommodation. The resort employed many residents, and attracted many to relocate to Maui, increasing the population and the demand for housing. The infringement of STRs, as they encroached into residential areas, has become an overwhelmingly negative issue. A solution proposed by Tasha Kama, I believe--I read an online article--the solution was simply rezone areas where STRs are located, legalizing their continued existence. Well, rezoning to allow as a solution is tearing open a wound which is trying to heal. We need to stop the bleeding by disallowing STRs. Another testifier mentioned STRs being the golden goose. No, no, no, no, no. STRs are not the golden goose. Maui, and its aloha, and its residents, its local people, and its aloha--that is the golden goose that is getting slowly destroyed, and torn apart by over tourism. Please vote yes on this bill. Thank you for your time.

UNIDENTIFIED SPEAKERS: *(Applause)*

CHAIR KAMA: Members of the galley [*sic*], please maintain decorum. Questions for our testifier, Members? Seeing none. Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Richard Prata, to be followed by Richard Van Barriger, and then Ceone Nojima-Jacinto.

MR. PRATA: Aloha, I'm Richard Prata. I just wanted to say that I moved here from O'ahu. I'm a broken-down old big wave surfer. And I moved from O'ahu to Maui in 1989. And we bought a condo at Paki Maui. And over the years...and it...and it's zoned Apartment workforce housing. Somewhere in the '90s, things changed. We have over 100 condos there. We have ten owners that live there--I'm one of them--and it's just...I just don't understand how it got so convoluted. And I was talking to one of the gentlemen that owns a couple of them, and I was telling him about this meeting and stuff, and he said, oh, I'm not worried. We're just going to change the zoning to Hotel. Can they...I mean,

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how can they...can they do that, or whatever? I'm just posing the question. But I just wanted to mention that. And another thing that I think is not being addressed today, and correct me if I'm wrong, that I've lived here for quite a few years. What, 36 years? And I know friends and stuff that go to rent a room. And the landlord asks them, do you itemize your income tax? And if they say yes, they don't rent them the room because they don't want people...they don't...they're renting the room illegally. We have a huge travesty of justice of illegal rentals on Maui. I have a friend, and I helped his mother move...he was...she was in a senior care living, ten bedrooms over . . .*(timer sounds)*. . . by the hospital. They were charging him 5 to \$6,000 a person, and they got busted. It was illegal. But we're not addressing all the illegal rentals. People on properties that were zoned for three bedrooms, and they have eight and ten bedrooms. How much tax revenue is lost on that? And I just went by in Lāhainā where they're rebuilding. The same guys that were renting ten bedrooms are building these huge mega houses. Anyway, that's...thank you.

CHAIR KAMA: Members, questions for the...

COUNCILMEMBER SINENCI: I had a question.

CHAIR KAMA: Mr. Sinenci?

MR. PRATA: Yeah.

CHAIR KAMA: And then Member Paltin.

COUNCILMEMBER SINENCI: Thank you, Chair. Mr. Prata, you mentioned Paki Maui.

MR. PRATA: Yeah.

COUNCILMEMBER SINENCI: Are you in I, II, or III? There's...there's Paki Maui III, I, or II. They're all on one property?

MR. PRATA: Yeah. I'm right next to the park.

COUNCILMEMBER SINENCI: Right next to the park?

MR. PRATA: Yeah.

COUNCILMEMBER SINENCI: Okay.

MR. PRATA: My neighbors...my neighbors are the feral chickens.

UNIDENTIFIED SPEAKERS: . . .*(laughing)*. . .

COUNCILMEMBER SINENCI: Okay.

MR. PRATA: Which is another thing I wanted to address. Somebody's got to get rid of these feral chickens, they're driving me...

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COUNCILMEMBER SINENCI: That's...that's for another day, but I think --

CHAIR KAMA: Yes Thank you.

COUNCILMEMBER SINENCI: -- Member Paltin had a question for you.

CHAIR KAMA: Member Paltin?

MR. PRATA: Okay.

CHAIR KAMA: Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Prata. I just wanted to clarify. So, you're saying that you purchased a unit in Paki Maui, and you live in Paki Maui, and that over the years, it...when the Minatoya codified or whatever, then you still live there --

MR. PRATA: Yes.

COUNCILMEMBER PALTIN: -- but you don't have the neighbors like how you used to before the Mina...like --

MR. PRATA: Exactly.

COUNCILMEMBER PALTIN: -- at what point did you lose your neighbors?

MR. PRATA: Well, unfortunately, a lot of them passed away. And, you know, over the years, more...more and more people...I don't understand where it went from Apartment zoned, workforce housing, to all this...all those short-term rentals. I go to the HOA meetings, I don't recognize one person. And I just don't understand how they skirted that law. And they want to --

COUNCILMEMBER PALTIN: Do you know...

MR. PRATA: -- change it now to Hotel.

COUNCILMEMBER PALTIN: Do you know about what year? I mean...

MR. PRATA: In the mid-'90s, I would say, things started to change.

COUNCILMEMBER PALTIN: Okay.

MR. PRATA: Yeah.

COUNCILMEMBER PALTIN: And so, how it is now is, you live there, but you don't know any of your neighbors?

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MR. PRATA: Very few of them.

COUNCILMEMBER PALTIN: Oh, okay.

MR. PRATA: Like maybe two or three.

COUNCILMEMBER PALTIN: Okay. And...and your preference is to know your neighbors?

MR. PRATA: Of course.

COUNCILMEMBER PALTIN: Okay.

MR. PRATA: Yeah.

COUNCILMEMBER PALTIN: Just...

MR. PRATA: In fact, we used to do a mai tai party there, and I was the bartender, and I knew everybody.

CHAIR KAMA: Okay. Okay.

COUNCILMEMBER PALTIN: Sounds fun.

MR. PRATA: And that's not the case anymore.

COUNCILMEMBER PALTIN: Thank you.

CHAIR KAMA: Mr. Sinenci has...I mean Mr. Cook has a question for you.

MR. PRATA: Yeah.

CHAIR KAMA: Go ahead.

COUNCILMEMBER COOK: Thank you, sir. This is --

MR. PRATA: Yeah.

COUNCILMEMBER COOK: -- your testimony is really important, insofar as this is one of the...this is what we're looking for also.

MR. PRATA: Right.

COUNCILMEMBER COOK: Units that were previously --

CHAIR KAMA: Workforce.

COUNCILMEMBER COOK: -- apartments, residential --

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MR. PRATA: Right.

COUNCILMEMBER COOK: -- like you and other brothers living there --

MR. PRATA: Right.

COUNCILMEMBER COOK: -- and then have evolved. Okay. So, if you could leave that...I mean, write it down somehow--maybe Staff has it--but I'm just saying, thank you for letting us know that. And that's something that the more people that let us know that this --

MR. PRATA: Right.

COUNCILMEMBER COOK: -- was Apartment zoning and it changed, it helps. To clarify, to slice and dice and get this into different...

MR. PRATA: I think it's still Apartment zoned. They just...they...the people want to change, all the --

COUNCILMEMBER COOK: Well...

MR. PRATA: -- investors.

COUNCILMEMBER COOK: Yeah. Well, that's...being able to take that thread back to the orientation enables --

MR. PRATA: Right.

COUNCILMEMBER COOK: -- to prevent that from happening, or to reverse it. If it was done as a...anyway, thank you for...

MR. PRATA: Thank you.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, we'd like to return to AnnDionne [sic] Selestin. I believe she's on the line through another login.

MS. SELESTIN: Hi, can you hear me?

CHAIR KAMA: Yes.

MS. SELESTIN: So, sorry, I'm finally on. Thank you so much. Well, my name is AnnDionne [sic] Selestin, and I'm here in strong support of Bill 9. I come from a small island called Pohnpei in Micronesia. I moved to Maui when I was just six years old. Since then, Maui has become my home, not just for me, but for the generation of Micronesians who have come before and after me. We have built lives, families, and communities here. My support for this bill goes beyond the well-known housing crisis.

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I'm here to raise awareness that housing should be for residents, for the people who live here, work here, and raise their families here, and especially for the families who were displaced and devastated by the Lāhainā fires. Living on Maui, I've seen how locals, different communities, are being priced out. Families are being forced to pack up their entire lives and leave the only home they've ever known just to survive. My own parents have worked multiple jobs to keep us afloat. We moved in and out of homes with uncles and aunties, not because we wanted to, but because it was the only way to stay on the island we call home. My mom works as a housekeeper, and she also cleans short-term rentals on the side. So, yes, I understand why some people might oppose this bill. But coming from the Micronesian culture, we're raised to put family first. If you ask my mom whether she'd rather make money cleaning a short-term rental or give that unit to a family in need, she'd choose the family every time. Many families have already left the island because it's simply too hard to survive here, while others are staying because we are rooted here...even it means living in their cars, or sleeping on couches. I once asked my dad if we should move to the mainland, and he said, I'd rather live in my car than leave home. You see, to some, home is just a house, a structure. But for us, home is the sound of the ocean, the strength of our community, and the spirit of aloha. Home is where the sun rises and sets on the shores we've loved our entire lives. Home is here. Hawai'i has become a place where we seem to value vacationers more than the working families who keep this island running. We've gone from caring for one another to prioritizing weekend getaways and luxury stays. We still show aloha to strangers, but somehow, we've forgotten to show it to our own. We must take care of our ohana here first. . . .(*inaudible*).(*timer sounds*). . . Thank you. Mahalo.

CHAIR KAMA: Questions, Members, for our testifier? Seeing none. Thank you so much. Staff?

MS. MCKINLEY: Chair, the next testifier is Richard Van Barriger, to be followed by Ceone Nojima-Jacinto, and then Elizabeth Ray.

MR. VAN BARRIGER: Mahalos (*phonetic*). Aloha, mai kākou. I support Bill 9 for two reasons. As a ILWU member, our workers need affordable housing. Our hotels need workers. So, for obvious reasons, I support Bill 9 because we are in a housing crisis. Similarly...for similarly obvious reasons, as a Native Hawaiian, I support Bill 9. You know, what makes Hawai'i special is its people, is the Hawaiian people, and local people. And every time a local family has to leave Hawai'i, we are losing something irreplaceable, namely the aloha spirit, and the spirit to mālama our 'āina, and our water. I heard somebody say today that the Maui economy is a living, breathing thing, and I heard someone else use the term lifeblood of the economy. So, Hawaiians think about these things in a different way. What is living and breathing to us is the water, the sky, the land, the people, the community. So, it's that other way of thinking that is why we're in the situation that we're in, exploitation of our water, and our land, and our people. Mahalos.

CHAIR KAMA: Thank you. Questions? Member Paltin has a question for you. Go ahead, Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Barringer [*sic*]?

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MR. VAN BARRIGER: Van Barriger.

COUNCILMEMBER PALTIN: Van Barriger. Can you clarify what hotel that you work at?

MR. VAN BARRIGER: I work at the Grand Wailea.

COUNCILMEMBER PALTIN: And the hotel that you work at, it's set up for disasters...like if...if there's a disaster?

MR. VAN BARRIGER: Like a natural disaster?

COUNCILMEMBER PALTIN: Any kind...that they would be able to take care of their guests. You guys have backup generators and stuff?

MR. VAN BARRIGER: My understanding is that they have backup generators, but I am not sure.

COUNCILMEMBER PALTIN: Thank you.

MR. VAN BARRIGER: Yeah.

CHAIR KAMA: Any others? Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Mr. Van Barringer [*sic*].

MR. VAN BARRIGER: Barriger.

COUNCILMEMBER SINENCI: Barriger. You mentioned hotel workers. Do you...and you mentioned that you work at Grand Wailea. Do you commute to the Grand Wailea?

MR. VAN BARRIGER: I do.

COUNCILMEMBER SINENCI: From?

MR. VAN BARRIGER: I commute from Waikapū.

COUNCILMEMBER SINENCI: From Waikapū?

MR. VAN BARRIGER: Yes.

COUNCILMEMBER SINENCI: Okay. Are there...you know of other hotel workers that have a longer commute to work?

MR. VAN BARRIGER: Yes. We have some driving from the West Side.

COUNCILMEMBER SINENCI: All the way from the West Side, Upcountry?

MR. VAN BARRIGER: Upcountry, yes.

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COUNCILMEMBER SINENCI: So, if these were open, would...would some of the...like you said, these workers would potentially accommodate these...

MR. VAN BARRIGER: That's my understanding. I believe so, absolutely.

COUNCILMEMBER SINENCI: They'll be closer to work.

MR. VAN BARRIGER: Yes. Yes.

COUNCILMEMBER SINENCI: Okay. Thank you for that.

MR. VAN BARRIGER: Of course.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Ceone Nojima-Jacinto, to be followed by Elizabeth Ray, and then Ruby Ray.

MS. NOJIMA-JACINTO: Aloha, Chair and Council. My name is Ceone Nojima-Jacinto, and I'm a resident...resident of Nāpili, and I'm here to testify in support of Bill 9 to phase out short-term rentals on the Minatoya list. From my college education at UH Manoa, studying environmental geography, I learned of the human impact on our natural environment throughout history. In Hawai'i specifically, as we all know, the history of resource exploitation has been profound. The abuse of its fertile soil and fresh flowing waters by the sugarcane and pineapple industry, to the sandalwood trade and humpback whaling history, the story of outside investors coming into these islands to make a profit and then leave nothing behind but fallow grasslands, is all too familiar. The tourism industry, unfortunately, is following the same narrative of use and abuse, and the ones that are being left behind with little to nothing are the local people. This week, the Council has the opportunity to rewrite that history and protect its own greatest asset, its people. Housing is a basic necessity of life that has been commodified into such a lucrative and greed-driven industry that even after the most devastating fire in modern history happened in our own backyard, our STR neighbors were unwilling to open their investment properties to the very people who clean their units. My mother is a hospital worker, and is a long-term renter in one of those very units that are up for debate. While we scrambled to house...house my in-laws, who lost everything in the fire, and my husband's 101-year-old grandfather was sleeping on our couch, those units all around here remained empty. A cinder block property that's located in one of the only remaining local neighborhoods on the West Side, where owners who bought these units for . . .(timer sounds). . . \$100,000 in the '90s are able to generate upwards of \$15,000 per month, paying off their investments tenfold, who weren't willing to house our people when we needed it the most. Only one out of ten STR owners on the West Side offered up their units to a fire victim in the months following the fire. As a small business owner, I'm well aware of the inherent risk associated with running a business, especially in Maui. With two years of COVID, and then the Lāhainā fire, we were forced to shift, scale, and then rebuild completely. To hear the cries of the STR owners complaining that they've invested their entire retirement into a short-term rental

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business seems like an extremely risky and uneducated decision to make in the midst of a housing crisis on an island with finite resources. I ask that you stand with the people of this land and vote yes on Bill 9. Thank you.

UNIDENTIFIED SPEAKERS: *(Applause)*

CHAIR KAMA: Thank you. Questions? Member Paltin, you have a question for our testifier?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Nojima-Jacinto. I just wanted to clarify...because I frequented your business before that burnt down, and your business...that you started up again. And a lot of times when I waited in line, I was surrounded by tourists. You're still okay?

MS. NOJIMA-JACINTO: Yeah. I actually wanted to mention that. Like when I was hearing a lot of the STR owners mentioning that this is going to impact businesses, and like food trucks specifically, and restaurants. We are on track to be pretty similar to what we were pre-fire in the last six months that we've opened. And I think a large part of that is because we've kind of always prioritized our local clientele, but I also don't believe that tourists are going to stop coming. Like we made it work through COVID when everything was shut down, but everyone keeps coming back. And I don't think that we're turning people away. I think we're...we're trying to get the right tourists to come, so...

COUNCILMEMBER PALTIN: Thank you. And...and I like your new location, and I can't wait until the sand bar turns on.

MS. NOJIMA-JACINTO: . . .*(laughing)*. . .

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Elizabeth Ray, to be followed by Ruby Ray, and then Paele Kiakona.

MS. E. RAY: Aloha. I'm Elizabeth Ray. Aloha, Council. I'm begging you to please pass Bill 9. We are all here today dressed in the color of blood, ready for battle with tongue, ready to fight to stand up to what has happened to Hawai'i. Only 10 percent of Hawaiians live in their native land, and over one-third of them are homeless. Local kama'āina are homeless, descendants of ali'i, the kūpuna, the keiki, our families, our disabled, our sustainable workers like teachers and volunteer hub organizers. My family is now homeless. We are all priced out. And you know what? Don't tell us we didn't try every avenue towards housing stability until we were neglected and failed by the system, okay? Every time there's been a disaster or pandemic, landlords raise the rent, okay? I mean, local Hawaiian angels who helped this community, this community organizations that helped sustain one another because the government programs have failed them. Some families are working two, three jobs and still can't pay their rent, and also are ineligible for a government program, such as EBT. This is very sad. Some of the beautiful organizations that have personally helped me are Lāhainā Strong, Kelawea Mauka, Maui Rapid Response, Ice Cream Aunties, Healthy Mothers Healthy

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Babies, Maui Housing Hui, and Maui Tenant Society. These are the people who continue to help our people and our local families survive. These are the people who make Hawai'i, Hawai'i. So, to the Minatoya list testifiers, those 7,000 unoccupied units, they can house us all, okay? And I...I see you guys testifying, impersonating County Councilmembers and organizations. You cheat, you lie, you're offensive, you're ignorant, you're selfish. How can you see through all that greed? How can you ignore that pure aloha that we . . .*(timer sounds)*. . . breathe? I get it. Your nails, your manis, your pedis, your martinis...while you sit up in your pools overlooking the 'āina and its people, but greed makes you a fool. Please house our people. Please rent to locals. Mahalo, Council.

UNIDENTIFIED SPEAKERS: *(Applause)*

CHAIR KAMA: Members of the galley [*sic*], I'm going to ask you one last time to please... Questions for our testifier, anyone? Thank you so much. Staff?

MS. MCKINLEY: Chair, the next testifier is Ruby Ray, to be followed by Paele Kiakona, and then Justice Villaren.

MS. E. RAY: Say aloha...

MS. R. RAY: Aloha. My name is Ruby.

MS. E. RAY: I'm five.

MS. R. RAY: I'm five.

MS. E. RAY: My brother James is three.

MS. R. RAY: My brother's --

MS. E. RAY: James.

MS. R. RAY: -- James, and he's three.

MS. E. RAY: Born in Hāna.

MS. R. RAY: We were born in Hāna.

MS. E. RAY: My mommy's a teacher.

MS. R. RAY: My mommy's a teacher.

MS. E. RAY: I'm sad my friends lost their homes in Lahaina.

MS. R. RAY: I'm sad my friends lost their homes in Lāhainā.

MS. E. RAY: A lot of people don't have homes.

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MS. R. RAY: A lot of people don't have homes.

MS. E. RAY: I don't have a home.

MS. R. RAY: I don't have a home.

MS. E. RAY: I see so many beautiful homes.

MS. R. RAY: We had so many...I see so many beautiful to see.

MS. E. RAY: Homes empty.

MS. R. RAY: And every home I see --

MS. E. RAY: . . .*(inaudible)*. . .

MS. R. RAY: -- I see beautiful homes that are empty.

MS. E. RAY: Why?

MS. R. RAY: Why?

MS. E. RAY: I wish everyone could have a home.

MS. R. RAY: I wish everybody can have a home.

MS. E. RAY: Pass Bill 9.

MS. R. RAY: Pass Bill 9.

MS. E. RAY: Mahalo.

MS. R. RAY: Mahalo.

UNIDENTIFIED SPEAKERS: *(Applause)*

MS. MCKINLEY: Chair, the next testifier is Paele Kiakona, to be followed by Justice Villaren, and then Russell Wynne.

MR. KIAKONA: Aloha kākou. My name is Paele Kiakona, a representative with Lāhainā Strong, and I'm in full support of Bill 9. And I just wanted to say, first and foremost, mahalo to the County of Maui, this Council, and the current Administration for taking such a bold step forward for our people. My testimony today will be echoing some of the data that Matt has shared. Through his data and some of my own research, I found that the average owner-occupied home or unit's water consumption in the continental U.S. is slightly less than 300 gallons per day. So, on the continental U.S., short-term rentals, by comparison, typically use 20 to 50 percent more water due to higher occupancy,

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landscaping, and frequent cleaning. In Hawai'i, we have a very similar pattern, but instead of just 20 to 50 percent of an increase, on Maui, short-term rentals have been shown to use anywhere from 200 to over 400 percent more water than...than nearby owner-occupied units. So, the argument of, we should just build more affordable housing and not phase out short-term rentals, I 100 percent agree, yes, we should be building more affordable housing. But the biggest setback, as all of you here know, is water availability. So, through this phase-out, we not only add thousands of units to the housing market, bringing prices down all around, we also create an opportunity to free up hundreds of thousands, if not even millions, of gallons per day. That means we now free up water to be able to build more affordable housing. So, things to consider. And, you know, a previous testifier today mentioned that he was threatened while he was out and about. You know, even if...if that were true, you should see the things that they've been saying about me personally. . . .*(timer sounds)*. . . If the County is interested, I do have proof through screenshots. And much of this slander was from some of the very people in this room today. And as much as I would like to share, I will not stoop to that level. So, instead, I will say this to all of you specifically, the Council of Maui County. If you may fear the outcomes of this phase-out, and this fear of failure, of economic impact, and litigation is what's holding you back from making the decision we know we need to make, just know this...that we, the people that voted you in to make the right decisions for our home, the people that are out, they're living life right alongside you. We, the people who experienced the effects of these decisions with you; we, the people who experience...sorry, sorry. We, the people who are of this land, just like all of you. We . . .*(timer sounds)*. . . the people, who are so willing to fight a battle that will not benefit us directly because it's what's best for everyone, will have your back to the bitter end. And if we are so willing to step up and fight for those whose intentions...e kala mai. As Lāhainā Strong and as this community, we are willing to step up to fight this fight, even though it was not one that would benefit us directly. If we are so willing to fight this fight, we would be 100 percent behind you if the time called for it. But can that be said of them, the opposition? Today, you get to decide who will be in your corner, but we, the people, will always stand for what is right. Mahalo nui.

CHAIR KAMA: Thank you. Members...

UNIDENTIFIED SPEAKERS: *(Applause)*

CHAIR KAMA: Members, any questions for Mr. Kiakona? Thank you so much for your testimony. It is now 2:59 p.m., and Chair's going to call for a recess until 3:10. . . .*(gavel)*. . .

RECESS: 2:59 p.m.

RECONVENE: 3:15 p.m.

CHAIR KAMA: . . .*(gavel)*. . . The HLU Committee meeting of June 9th, 2025, will now reconvene. It is 3:15 p.m. So, for those of you in the galley [*sic*], I don't want to discourage your...your enthusiasm, but the...the clapping and the noisemaking is actually a violation of decorum, so that's why I've been kind of like on you about that. So, I just wanted you to know that as much as I admire your enthusiasm, it is a violation

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of decorum, and I'm trying to at least maintain that. So, just FYI for you all. But thank you. I think, Ellen, we're on the next testifier?

MS. MCKINLEY: Chair, the next testifier is Justice Villaren, to be followed by Russell Wynne, and then Faith Cummins.

MS. VILLAREN: Hi. Aloha. Mahalo for having us, Council. My name is Justice Villaren, and I am in strong support of Bill 9. I am a 29-year-old mother of three. I am Native Hawaiian, but I do not have enough blood quantum to be qualified for Hawaiian Home Lands. My other half and I are not yet married on paperwork, and yet both of our incomes are evaluated when attempting to apply for affordable housing. In order for a family of five to qualify for affordable housing projects here, we need to make less than \$87,000 combined a year. I'm having to quit my part-time job to even be considered to move into a four-bedroom available through Kukuia affordable housing here in Lāhainā because on paper, we apparently make too much. It is systematic oppression. I currently rent a two-bedroom, one-bathroom 'ohana portion of a home up Lahainaluna since before the fire, going on almost five years now. So, to say that these are not ideal for families is absolute entitlement. I would just like a chance to remain home. We are loyal renters with excellent references, hard workers for years in the hotel industry. I work for the Hyatt, and my other half works for the Ritz-Carlton Kapalua, and yet we can't qualify for affordable housing, and workforce housing doesn't even exist anymore, or we can't even grasp a \$20,000 a month mortgage or loan based on the \$1.2 million average median cost of a home here. I'm not here to say this is the only solution for our crumbling economy, but it feels like a start. Passing this bill is the very first step to any . . . *(timer sounds)* . . . sort of change. We have no caps on anything. The amount of people moving here, no caps on the amount of rental cars in use, no road tolls to pay for infrastructure. So, to start here, maybe we can. It's a bill that supports the middle class, a social class that we no longer see, or are watching fade. Overconsumption and greed versus sustainability and equity is the true divide. Aloha is also accountability. It's time to be accountable for mistakes made in the past, and our zones going unregulated. Mahalo.

CHAIR KAMA: Members, questions for the testifier? Member Paltin, yes.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Villaren. I just wanted to clarify. When you said mistakes made in the past, would that be the codification of the Minatoya list?

MS. VILLAREN: Yeah. And just like how our...how are our workforce housing zones, how have...yeah, how have they been turned into STRs similar to what past testifiers have mentioned.

COUNCILMEMBER PALTIN: Thank you.

MS. VILLAREN: Mahalo.

CHAIR KAMA: Very good. Thank you. Staff?

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MS. MCKINLEY: Chair, the next testifier is Russell Wynne, to be followed by Faith Cummins, and then Jerome Bosch.

MR. WYNNE: Good afternoon. My name is Russell Wynne. Thank you, Chair. Thank you, Council, for the opportunity to speak here today. I am a manager with a property management company. We manage TVRs, we manage long-term, and we manage a number of FEMA units that are helping displaced people, residents of Maui from the fire. I was hoping somebody from the Mayor's Office would still be here because I'd like to commend the Council and its workers, and also commend the Mayor and his Staff for projects like what was just announced with the 40-unit project for teachers on Lahainaluna Road in between two schools, the right project for the right resident. We need more of that. I'd like to commend again the Council, the Mayor, the Governor, and the State for the project in Kapalua paired with a private individual, who helped provide housing at Kapalua Village for those workers who work in that hospitality industry. Again, the right project for the right resident at the right time. I think we need much, much more of that. I was going to go into a bit about while I don't feel that the TVRs are for...the right fit for the lack of parking, no pets, very little storage, but unfortunately...or fortunately, I think the point was made when somebody spoke about their 500-foot Nano Nest bubble that they lived in. This is housing, but should we strive for the minimum? We should work for better. This does provide housing for our residents, but that doesn't sound like it's the right fit. She...this person is glad to have housing, but is it the right housing? I think she would much rather live in a much larger place that had places to park, places for the children to play, things like that. I think we need to concentrate on that more. We do have a number of . . .(timer sounds). . . FEMA residents that we are helping manage their properties, and a number of them have told us they are very pleased to have housing over their...a roof over their heads, but this would not be their desired long-term solution. They're looking for something that has more space and more room. An example of this, folks, is Pulelehua. I think it was bought for \$15 million plus affordable housing credits. Go back to this developer, find a fund, buy him out, make the whole project affordable. Go to the developer that sold them land, make a deal for water. There's 1,000 units there. It would be more of the right fit. There's a school site, there's a park. It...it will tie into Lāhainā sewage. It is a better project for long-term living for Maui residents. We have to get creative about this. That is a way to get creative. There is...there's shovel-ready land available. Let's do something innovative and interesting to make that . . .(timer sounds). . . go forward. Thank you very much for your time.

CHAIR KAMA: Thank you. Member Paltin has a question.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Wynne. I just wanted to clarify. You said your property management company manages long-term rental, short-term rental, and FEMA units.

MR. WYNNE: Correct.

COUNCILMEMBER PALTIN: Can you speak to what is the difference in long-term rental and short-term rental as your revenue?

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MR. WYNNE: Majority revenue is short-term.

COUNCILMEMBER PALTIN: And then for the FEMA management, I...I was under the impression it was all off-island management.

MR. WYNNE: That is incorrect. We...our principal broker went to Governor Green very early, and impressed upon him that a company out of North Carolina that deals with hurricanes may not be the best fit for understanding the Maui resident and their needs.

COUNCILMEMBER PALTIN: That is true.

MR. WYNNE: So, a contract was made through a subsidiary of FEMA, Lima Charlie, so we manage that, and we go in once a month to inspect.

COUNCILMEMBER PALTIN: So, you go through Lima Charlie?

MR. WYNNE: Correct.

COUNCILMEMBER PALTIN: Okay. And then my last question is, I haven't ever seen you testifying for Pulelehua, which this Council didn't pass. Is there a reason?

MR. WYNNE: For a number of years, I used to work for the developer, the original developer of...of Pulelehua.

COUNCILMEMBER PALTIN: So, that's why you're not testifying in support of it?

MR. WYNNE: That's why I wasn't involved in those at the time. We were asked kind of to stay away --

COUNCILMEMBER PALTIN: Okay.

MR. WYNNE: -- and certainly, after it got sold to the other...they don't want...I don't think they wanted to politicize too much, so that was...

COUNCILMEMBER PALTIN: Okay. Because, I mean, all the things you said to do, I'm trying to do, but this Council won't come with me.

MR. WYNNE: Yes, Ms. Lee? Sorry, Chair.

COUNCILMEMBER LEE: She has to call me.

MR. WYNNE: I apologize.

CHAIR KAMA: Go ahead, Chair Lee.

COUNCILMEMBER LEE: Okay. Thank you, Mr. Wynne. I was about to ask you the same question. You seem to know so much about Pulelehua.

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MR. WYNNE: I...

COUNCILMEMBER LEE: And by the way, when she said this Council won't come with her, that's not true. I...I am a strong supporter of that project. And I...

COUNCILMEMBER PALTIN: The...the majority of this Council won't come with me.

COUNCILMEMBER LEE: Yeah.

MR. WYNNE: It...it seems to be, you know, even at the new proposal that has been, I think, somewhat approved by the Council at 1,000 units, it's shovel-ready. There's been a little bit of grubbing. It's got a school site, it's got a park site.

COUNCILMEMBER LEE: Okay. Thank you, but I wasn't going to belabor that one. I just thought I'd just mention, you know, I was surprised, because I haven't seen you before either. Getting back to your...the units that you manage --

MR. WYNNE: Yes, ma'am.

COUNCILMEMBER LEE: -- the TVRs, how many...how many of those do you manage?

MR. WYNNE: Over 200.

COUNCILMEMBER LEE: And are...

MR. WYNNE: I don't own any myself.

COUNCILMEMBER LEE: Okay. No, but do...how old are they?

MR. WYNNE: Various ages from...some are 60 years old. Most of them are more...West Side and South Side, we manage a large number of units of all shapes and sizes.

COUNCILMEMBER LEE: Do you think some of them, or a lot of them, would be interested in selling their units?

MR. WYNNE: Most of our owners that we have spoken to, probably not, and the vast majority of them would not turn it to long-term. Biggest reason is, they wouldn't be able to use it for themselves and for their family. So, very few have been...now, that may change, but in conversations we're having now, very few would want to put it in long-term. They just don't...wouldn't be able to use it for themselves. They just don't think it would...

COUNCILMEMBER LEE: Okay. So, I keep wondering, those units that are 50, 60, and plus old, have reached or passed economic obsolescence, and people still want to hang on to those old units?

MR. WYNNE: It gives them an opportunity, as a family, to come to Maui, and enjoy Maui. Their friends can come to Maui and enjoy Maui, and they can still make enough income to cover those carrying costs, and the special assessments, and the plumbing work that

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needs to be done. So, it allows them to do that. I don't think it would generate that kind of income for long-term, to allow them to do that. So, it allows them to have their Maui connection--and some are here for six months, some are here for two weeks--but it provides them an opportunity to be part of Maui, and still provide income, to keep up with the expenses of an aging property, and the increased HOA fees, and all the other fees that go with it.

COUNCILMEMBER LEE: If you can think of a reasonable compromise, please let me know. Thank you.

MR. WYNNE: I will. Thank you.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Faith Cummins, to be followed by Jerome Bosch, and then Heather Quesade.

MS. CUMMINS: Aloha, Councilmembers.

CHAIR KAMA: Aloha.

MS. CUMMINS: My name is Faith Cummins. I am a full-time resident of Maui County. My family's been part of Lāhainā community for 19 years. My family is also renters, and we firsthand understand the challenges of affordable rentals. I am here today to strongly oppose the proposed legislation. Also, I do not own an STR. However, I am a business owner who lost two offices, two warehouses, and a laundry facility in the Lāhainā fire. I can personally attest to the devastation this community has endured. Our company employs 78 dedicated individuals...23 of our employees, including myself, were displaced or lost everything in the fire. If this legislation passes, we will be forced to lay off half of our workforce, and cease using half of our local vendors, who are small business owners. These include our 13 contracted cleaning companies, 10 different outside vendors, among many other businesses that receive employment directly and indirectly through our company. These job losses will ripple through our community, affecting countless families and local businesses. In the past year, we've seen significant increases in insurance premiums, maintenance expenses, and labor costs across Maui. AO...AOAO fees have risen to levels comparable to monthly rents typically considered affordable for working families. This makes it increasingly difficult to rent these units as long-term rentals at affordable rates. I reviewed the most current AOAO fees listed in the MLS for several properties. These fees reflect the rising costs tied directly to essential building maintenance, property insurance, and other operational necessities, costs that are passed directly to the individual owners. A few examples. Paki Maui, one-bedroom, 1,300. A two-bedroom Paki Maui unit, 2,800. One-bedroom Kulakane, \$1,200. One-bedroom Kaleialoha . . .(timer sounds). . . \$1,200. One-bedroom Kahana Reef, \$2,000. I don't think I need to go on, but I have a list. The monthly fees, when combined with mortgage and individual insurance, creates a financial burden that is unsustainable for many owners, and difficult to absorb under long-term rental market rates. This phase-out feels like it's directly impacting the very people who are striving to make a life here. I understand the concerns around housing, and agree that real,

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lasting solutions are needed, but removing a vital source of income without a clear and actionable plan only makes things more difficult for those who are already struggling. We urge the County to protect the residents on all fronts, not just in terms of housing, but also in employment, education, access to essential services, and long-term economic opportunity. We need a balanced and thoughtful approach, one that supports working families instead of dismantling the income streams . . .*(timer sounds)*. . . they rely on to remain here. Thank you.

CHAIR KAMA: Thank you.

MS. CUMMINS: Mahalo.

CHAIR KAMA: Questions by Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Cummins. The laundromat that you referenced, I just wanted to clarify, was that for the short-term rentals?

MS. CUMMINS: Yes.

COUNCILMEMBER PALTIN: Oh, okay.

MS. CUMMINS: Yes, we were in the process of finishing a laundry facility, which was over in the industrial area, kind of near where the...there was a Sly Mongoose was, that area. We had a warehouse there, and had...had just started a laundry facility for our short-term rental.

COUNCILMEMBER PALTIN: There was a laundry facility for the community there, and then you were starting one just for the short-term rental?

MS. CUMMINS: Yes. We were renting it from...we were leasing the space from another property...business owner.

COUNCILMEMBER PALTIN: So, you weren't the one that was established for the community and...

MS. CUMMINS: No. We...that was --

COUNCILMEMBER PALTIN: Okay.

MS. CUMMINS: -- not the one, no.

COUNCILMEMBER PALTIN: Thank you.

MS. CUMMINS: Okay. Is that all?

CHAIR KAMA: Thank you.

MS. CUMMINS: Thank you.

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CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Jerome Bosch, to be followed by Heather Quesade, and then Jason Gobey.

MR. BOSCH: Good afternoon, and thank you for hearing me today. My name is Jerome Bosch, and I strongly oppose this proposal. My wife and I are full-time residents. We have a small car rental business in Kihei, and we own a vacation rental at Maui Vista, and I have multiple side activities, many of them related to STR maintenance and management. So, when we think of people having to have two or three jobs to live on this island, we are one of them. Since the fires, we have seen a sharp drop in tourism on Maui, which resulted in some major decline for us, and many other businesses around the island. For the car rental business, less than 6 percent of our revenue is coming from local customers, and for our condo, it's about 3 percent. So, we do rely on visitors. If I compare the period from January to June of 2023 to the period of January to June of 2025--so basically pre- and post-fire--our business is down 34 percent, and for the condo, we're about 29 percent down. To make things worse, we combine declining income with a constant increase of expenses. So, in the past two years, the HOA fees at Maui Vista have gone up 20 percent, our insurance premium have gone up 85 percent, and the property taxes have gone up 70 percent. And unlike the Administration, which can increase taxes in order to balance the annual budget, and hasn't been shy about it in the past few years with increased property rate taxes...property tax rates, increased TAT, additional MCTAT, increased GET...well, we don't have the same magic wand. So, the scale is tipping in the wrong direction with no signs of things getting better anytime soon, and possibly worse if this bill passes. During COVID, we learned to pivot, trying to reinvent ourselves and our businesses to make things work in the new normal. . . .(timer sounds). . . But the past few years, there hasn't been any...any normal. It's been one hurdle after the other, and not really able to move forward. So, I think I can speak for everyone in this room, whether you are for or against this bill, we all want to move forward. We all want to...some normal again. But this is not what this bill is going to do. It's just going to continue this cycle of uncertainty, chaos, and division for the next five years, and we're all tired of it. We live here, so we are very aware of the need for housing. It needs to be fixed. So, yes, let's please...let's...please, let's work together on proper solutions, and not only for...so local people can just afford to rent, but solution that will allow families to buy a place. The emphasis should be on developing bills, grants, and other programs that facilitate a path to ownership. And this would be a true move forward, providing legacy for current and . . .(timer sounds). . . future generation of local residents. So, again, I oppose this bill, and I do hope we can work together on some meaningful solutions. Thank you.

CHAIR KAMA: Thank you. Member Paltin has a question for you. And Chair Lee.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Bosch. I just wanted to clarify, you don't think that your version of normal is the same as everybody in this room's version of normal, right?

MR. BOSCH: Everyone got their own normal, but yeah, obviously for...

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COUNCILMEMBER PALTIN: I just wanted to clarify that. Thank you.

MR. BOSCH: No, I'm pretty sure for the last two years, no one has thought that, okay, this is...

COUNCILMEMBER PALTIN: I'll...I'll yield to my colleague.

MR. BOSCH: Okay.

CHAIR KAMA: Okay. Chair Lee.

COUNCILMEMBER LEE: You mentioned insurance has gone up and real property tax. What percentage? I couldn't hear the percentage you're talking about.

MR. BOSCH: So, the percentages I've used were the HOA fees have gone up 20 percent, the insurance premium has gone up 85 percent, and our property taxes have gone up 70 percent since 2023.

COUNCILMEMBER LEE: Seven-zero percent?

MR. BOSCH: Seven-zero, yeah.

COUNCILMEMBER LEE: Your property tax...did you say you own a home, or a...

MR. BOSCH: No, this is on the condo. This is on the STR that we own.

COUNCILMEMBER LEE: Oh, the STR. Oh, okay.

MR. BOSCH: Yeah.

COUNCILMEMBER LEE: All right. Thank you. Thank you.

CHAIR KAMA: Okay. Thank you. Thank you so much. Staff?

MS. MCKINLEY: Chair, the next testifier is Heather Quesade, to be followed by Jason Gobey and then Karen Ryan.

MS. QUESADE: Aloha, everybody.

CHAIR KAMA: Aloha.

MS. QUESADE: I appreciate your guys' time, and I ask for your patience because this is like my worst nightmare right now. So, thank you for your time and your patience with me. My name is Heather Quesade. I own an STR in South Kihei. Prior to the Lāhainā fires, I owned B&B Scuba in South Kihei. Unfortunately, due to the sudden drop in tourism, our scuba diving business was forced to shut down after 31 years of business, and leaving my STR my only source of income. Now, because of this bill, that is now in

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jeopardy. Right after the fires, I used our dive boat to get supplies up to Lāhainā. I housed fire victims in my STR free of charge, and let my friends, who were victims as well, live in my home for...for free for a year. I'm deeply invested in our...in our community. I strongly oppose Bill 9 because I'm convinced this bill will do more harm than good. I worry that my already closed small business will be one of many forced to close if this bill passes. I worry about my cleaners, a three-generational team made up of a grandmother, daughter, and granddaughter. Most of their properties that they service is on this bill to be removed. I also worry about our handymen, and our many other...and maybe others whose jobs servicing these STRs depend on. One thing I can...can't seem to wrap my head around is that the County is trying to strip us of our STR rights, yet new luxury vacation rental developments are being approved and built in the same neighborhood as my condo. How can the Council explain the need to strip these legally operating STRs of their property rights, but then continue to approve vacation rentals to be built? I'm also deeply worried about Maui's future as whole...as a whole. I just look around in our current situation. No businesses are doing well right now . . .(timer sounds). . . and if this ban goes into effect, I think things will continue to get worse, creating more layoffs, job loss...that Maui just simply cannot afford to lose 7,000 STRs and the revenue that they bring into our island. I also ask the Council to look at the recent events that just took place in Lake Tahoe. Their STR ban was just reversed due to the Superior Court deeming it unconstitutional, and that the bill infringed on property rights, and discriminated against non-resident property owners. Now the property owners are banding together in a class action lawsuit to sue the state for lost rental income. Maui County cannot afford the egregious amount of money they will be forced to spend once lawsuits start filing it, just to end up losing in the end--because if it's unconstitutional in California, that means it's unconstitutional in Hawai'i. Thank you for your time. . . .(timer sounds). . .

CHAIR KAMA: Questions? Member Paltin has a question. Go ahead.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Quesade, for your testimony. I just wanted to clarify which TVR development the Council is considering. Is it Wailea 670?

MS. QUESADE: I don't know which one it is, but I know...wait, wait, what was your question? I'm sorry, I didn't really understand.

COUNCILMEMBER PALTIN: You said that the phasing out of TVRs, but the Council is going to create more TVRs in the same neighborhood that your TVR is in?

MS. QUESADE: I know a development directly above us was just approved for luxury to be...to start the...I don't know the exact process of what it is, but I know it was a building of another community...not a community, a complex right above us.

COUNCILMEMBER PALTIN: What...what is you guys'?

MS. QUESADE: Oh, I'm sorry. I'm in Grand Champions.

COUNCILMEMBER PALTIN: Grand Champions. Okay.

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MS. QUESADE: So, like right...I saw the map of it and where it's supposed to go, and it's directly behind my complex.

COUNCILMEMBER PALTIN: And that's in Wailea?

MS. QUESADE: Yes.

COUNCILMEMBER PALTIN: Okay. And it's been approved?

MS. QUESADE: As far as I know. According...according to the news, it's been approved.

COUNCILMEMBER PALTIN: And...and they said you could do short-term rental in there?

MS. QUESADE: Once...yeah. It's being built specifically for luxury vacation rentals.

COUNCILMEMBER PALTIN: Okay. And then what year did you purchase yours?

MS. QUESADE: 2018.

COUNCILMEMBER PALTIN: Thank you. I'm done. Thank you.

MS. QUESADE: Uh-huh.

CHAIR KAMA: Thank you. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Ms. Quesade?

MS. QUESADE: Yeah, like quesadilla.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for your testimony today. And mahalo for highlighting the court case in El Dorado County --

MS. QUESADE: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- Superior Court, Measure T, which got overturned...and for pointing out the difference between their law and this bill. Their law treats permanent residents differently than nonpermanent residents, and you understand that this bill does not do that?

MS. QUESADE: Yes, correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay. Mahalo. Mahalo, Chair.

CHAIR KAMA: Thank you. Okay. Anything else? No? Thank you so much.

MS. QUESADE: Thank you.

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CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Jason Gobey, to be followed by Karen Ryan, and then Caitlin Miller.

MR. GOBEY: Aloha. My name is Jason Gobey. I'm grateful for this opportunity to address the Committee today. I am opposed to the proposed legislation. Just for some...some background, like everyone else here, we love Maui. We are not some faceless mainland investors looking to make a huge profit. And yes, unfortunately, we've been lumped together and painted in a negative light...scapegoats for the longstanding problem, if you will. In 2019, we bought a one-bedroom unit at Luana Kai in Kihei so that we could spend four months a year here. We were clearly informed that it was a legal STR. I'm not going to name my realtor. We did confirm this independently during the mortgage process, however. Our unit would have to rent for \$4,500 per month to cover the costs. The costs to maintain and insure these aging buildings is continually increasing, as many people have said throughout the day. It's likely to be over \$5,000 per month by 2026. We already know building insurance is going up 25 percent for the next year. So, obviously, there's been a bunch of statements about monthly costs increasing...decreasing when this...if this bill is passed. That's just simply not the case. I believe our story provides a bit of an insight into what will actually happen if the bill passes. We're not in a position to become long-term landlords, but even if we were, the unit would not be affordable. Unfortunately, if the STR ban moves forward, a number of other things will happen on the local level. First and foremost, our cleaner and handyman will lose their business. They manage around about 30 units on the Minatoya list. They will lose everything. We'll have no visitors contributing to the local economy either, similar to everyone else. We will spend less, and that will have its own negative impacts on the economy. I'm quite certain that our situation is very . . . *(timer sounds)* . . . similar to other...many other short-term owners on Maui. The negative economic impacts are very real. There'll be many jobs lost, and businesses will close if the proposal is approved, and I'm not really certain that it will really improve the housing situation directly. So, in closing, I again request that the Council votes against the legislation. Thank you.

CHAIR KAMA: Thank you. Yes, Member...Council Chair Lee.

COUNCILMEMBER LEE: So, you mentioned you wouldn't be able to rent your unit at an affordable price if you were to switch from short-term to long-term. What would that rental be per month if you went to long-term?

MR. GOBEY: Well, as I said, we're not in a position to switch to long-term because we want to use it ourselves...but if we did, right now it's \$4,500 a month. By next year, it'll be 5,000 a month.

COUNCILMEMBER LEE: So...so, the renter would have to pay \$5,000 a month. This includes the...the HOA fees?

MR. GOBEY: Yeah. We're on the low end in our complex.

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COUNCILMEMBER LEE: With one bedroom?

MR. GOBEY: It's a one-bedroom.

COUNCILMEMBER LEE: One bedroom, one bath.

MR. GOBEY: Yeah.

COUNCILMEMBER LEE: Okay. So, \$5,000 a month.

MR. GOBEY: Yes.

COUNCILMEMBER LEE: And this is on South Kihei Road?

MR. GOBEY: Yes.

COUNCILMEMBER LEE: Okay. Thank you.

CHAIR KAMA: Okay. Thank you so much.

MR. GOBEY: Thank you.

CHAIR KAMA: Chair [sic]?

MS. MCKINLEY: Chair, the next testifier is Karen Ryan, to be followed by Caitlin Miller, and then C. Rose Riley.

MS. RYAN: Hi, everybody. And I just want to say thank you all for all of your hard work, showing up. A few months ago, I guess seven months ago now, I showed up at the Land Commission meeting, not really knowing what I wanted to say, and even today, I'm not writing anything down. I'm talking from the heart, and I'm hoping to share a little bit, maybe, for you guys. I live on the West Side. I've lived in Maui since the '90s. My daughter's born and raised here. Her dad's family's born and raised here. So, we kind of have to...she's done with college, and this is where she wants to have her house...this is where she wants to live. And we actually live in the same place that we've lived in for 16 years, and it's 420 square feet. Now she has her own place, now that she's grown up, but when I was testifying last time, she was back from college and living with me, and I'm like, what are we going to do? We cannot live in this kind of space together. But all of these units, these are kinds of places that I would actually be able to live in. You know, so, literally, I can imagine that. Ironically, I get to see it all the time because I live right below Kapalua Airport, which literally puts me in between the housing complex that cannot be built because we have no water, and the lower road that has apartment condos that are being rented out like hotel-style. You know, and I have lived in the same place for 16 years, seen the weather change. You know, it was before the fire where we were on water restrictions. We can't use water, we can't wash our car. I go down there, green lawn, four people in a one-bedroom, six people in a two-bedroom. That's four people in a one-bedroom, eight times a day, that toilet's getting flushed. Two showers a day per person. You know, I mean, I moved here from

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Lake Tahoe, so very similar issues with water coming in, and water going out. And when you think about that, where is all that water when they're flushing the toilets and taking the showers going? . . .*(timer sounds)*. . . You know, so it's very hard for me to literally sit in the middle, not be able to live appropriate where I live...and I have seen the difference. It's not like I didn't see it then, and see it now. Blasted by the dirt as they were grading all of that up there. You know, but of course, because it's for the greater good, we deal with it. I mean, it was hard, it was really hard. And then right below me, these things are being rented out like hotels. Now, my in-law family moved here in the '60s. I know...I went through with Susan how those places are not...those were workforce housing. They were not built or constructed to maintain four people in a one-bedroom on a regular basis. You know, I mean, so whatever's happened...I did want to read this really fast because when I went to the Land Commission meeting, I didn't know what I was going to say, and I read on the wall, and I think that this is the Planning Department mission, which you are not, but still similar, and you're familiar with it. So, Planning Department mission, to help the people of Maui County manage growth . . .*(timer sounds)*. . . and to . . .*(inaudible)*. . . land in an equitable, sustainable manner that balances culture, environmental, and economic needs. We're not balanced at all, you know, and it's not new. It's been going on since well before the fire, you know, so if things are a little...going to be a little out of balance for a while, it's because we've already been out of balance one way. We kind of need to bring that back to par. So, I appreciate your time, and thank you for allowing me to go over. I don't know --

CHAIR KAMA: Thank you.

MS. RYAN: -- if that's done.

CHAIR KAMA: Questions?

MS. RYAN: Thank you.

COUNCILMEMBER LEE: Excuse me.

CHAIR KAMA: Chair Lee has a question for you.

MS. RYAN: Oh, yeah. Yeah.

COUNCILMEMBER LEE: Are you for or against Bill 9?

MS. RYAN: I think we need to get rid of short-term rentals.

COUNCILMEMBER LEE: Okay. Thank you.

MS. RYAN: So...

CHAIR KAMA: Thank you.

MS. RYAN: Yeah.

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CHAIR KAMA: Thank you. Member Paltin has a question.

MS. RYAN: Say that again.

CHAIR KAMA: Member Paltin has a question.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Ryan. And I just was wanting to clarify, when you spoke of Pulelehua, you're for that as well?

MS. RYAN: Honestly, I think any new construction needs to be considered that it's going to be livable. I mean, I go on Zillow all the time. I kind of want to say that I do know that there was a price hike in 2020, you know, and now things are going to be settling out, and this is all over the country. We have plenty of large houses here. Like, we do not need that. You can go on Zillow and see. It's...it's ridiculous. A four-bedroom house for \$25 million? I'm like, what the heck is this, this is crazy. You know, I mean, we could put a whole community on something like that. Now, do I --

COUNCILMEMBER PALTIN: So, you'd be...

MS. RYAN: -- think we need affordable housing? 100 percent. If that whole unit could be done to be...I live in 420 square feet, at the most. You know, I don't think that everybody needs to have an exorbitant amount of space, you know. Be appropriate for amount of people that are going to be accommodating it. So, yes --

COUNCILMEMBER PALTIN: So...

MS. RYAN: -- I would like to see that affordable housing.

COUNCILMEMBER PALTIN: And you would support the County giving them water so that they could move forward for permanent housing in West Maui?

MS. RYAN: Again, I think we need to have a balance. I think it's ridiculous, what, on the lower road, I mean, you can count those places. It's...it's ridiculous. You should take a drive up to West Maui if you haven't in a while. I think there needs to be a balance with that. Would we give water to it? I don't even know if there's water available. I know that they were doing some drilling down in Honokōwai area. I don't know how that went. But it's also scary, you know? It's also scary we can't water our lawns. And we just...we had a fire in 2019, you know? I mean, we were --

COUNCILMEMBER PALTIN: And 2018.

MS. RYAN: -- evacuated.

COUNCILMEMBER PALTIN: And 2022.

MS. RYAN: I mean...

COUNCILMEMBER PALTIN: Thank you.

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MS. RYAN: I mean...sorry. It's real, you know? This is not...you know, this is real. This is a safety issue as well.

COUNCILMEMBER PALTIN: Thank you.

CHAIR KAMA: Thank you.

MS. RYAN: Thank you.

CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Caitlin Miller, to be followed by C. Rose Riley, and then Lucienne de Naie.

MS. MILLER: Aloha, Chair Kama and Councilmembers.

CHAIR KAMA: Yes. . . .*(inaudible)*. . .

MS. MILLER: My name is Kaitlin Miller. I'm testifying on behalf of Maui Vacation Rental Association. We strongly oppose Bill 9. I do stand on my written testimony, which has a lot more information in it. But I appreciate the opportunity to speak here today. This bill does not guarantee that any housing will be converted into long-term rentals, or will be made affordable to local families...but what it does guarantee is harm. Harm to local residents, and harm that risks deepening the very crisis this bill claims to address. The people most directly impacted by this bill are not the wealthy investors. They are local working families--cleaners, property managers, contractors--who have built their lives and livelihoods around legal short-term rentals. And yet, in this entire conversation, they've been treated as collateral damage, if they're acknowledged at all. If this policy is truly about housing, then I'd have to ask, what was the plan before the fire? Because Maui's housing crisis didn't start on August 8th of 2023. We were already in trouble. And instead of bold action, like down payment assistance programs, ADU support, or mixed-income housing developments, the Council and Administration are choosing a ban, a ban that UHERO says could wipe out up to 3,800 jobs, and one billion in economic activity. A ban with no proven track record of success. Just look at South Lake Tahoe and New York City, or even look to our neighbors on O'ahu, where the STR ban has failed to improve housing affordability or increase long-term housing...long-term rental supply in places like Kailua and the North Shore. A ban that removes opportunity, with no safety net for those residents it will impact. If STR removal is just one tool, then show us the others. What are the programs? Where's the implementation plan? Let's be honest, the people of this island did not choose to build itself around tourism, the State and the County did. But now, when the local people try to legally participate in that system by managing a unit, cleaning a condo, or renting out part of their home . . . *(timer sounds)*. . . they're being told they no longer belong. This isn't just economic inequity, it's hypocrisy. And it sends a message that local participation in the visitor economy is only welcome if it's within a narrow, politically acceptable box. We've now seen three economic studies commissioned or conducted on this very issue. We were told that the data would be an important part of this

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conversation, but when the results didn't align with the narrative, the studies were dismissed. So, we ask you, pause the legislation, pilot the programs that support local homebuyers and renters, protect the jobs and tax base that fund the very housing solutions we all want. Mahalo for your time.

CHAIR KAMA: Thank you. Members, questions for our...Member Rawlins-Fernandez, and then Member Paltin.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Ms. Miller. Mahalo for your testimony. In your testimony, you cited some examples of recommendations that you would like to see enacted, which leads me to assume that you are not aware of our down payment assistance program, our deferred payment loan program, and rental assistance programs. It's not something you're aware of?

MS. MILLER: So, I am aware of some of them, although I've talked to Lāhainā residents and other people who...the very narrow scope of what those programs approve don't fit for most people. So, what I'm asking is to expand those programs. I know every Councilmember here at Hawai'i State Association of Counties in September of last year sat through Kim Bell Williams of Eagle County, Colorado, their presentation where they demoed five to six different programs, which I outlined in my testimony, which I think could be expanded upon greatly here in Maui County because we have considerably more funding than they do in Eagle County.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that clarification. I don't disagree, just in your testimony, it sounded like you said it doesn't exist. So, you're saying to just...you...you would ask that we expand those, and I...I agree.

MS. MILLER: Thank you. Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: And I think one of the other things that Ms. Bell recommended at the HSAC conference was a voluntary deed restriction program, which we are piloting on Moloka'i --

MS. MILLER: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- this fiscal year. Mahalo. Mahalo, Chair.

MS. MILLER: Yes. I do outline that in my written testimony, but three minutes isn't a long time. . . .(laughing). . .

CHAIR KAMA: Yeah. Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Miller, for your testimony. Just wanted to clarify. You said you're testifying on behalf of the MVRA. Did you say your role in the...

MS. MILLER: I'm the Executive Director.

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COUNCILMEMBER PALTIN: Okay. And then thank you for outlining in your written testimony about like the In [sic] Good Deeds program. Did you testify when we had the deed restrictions and like that talk? Because I mean, it's great that you guys come here and testify for that, but we didn't see the same kind of outpouring of support. And, you know, we're five, eight, and ten years, and In [sic] Good Deeds, like, was talking about in perpetuity yet. So, I just was wondering.

MS. MILLER: Yeah. And my apologies, obviously, if I missed that opportunity to do that. MVRA is my part-time job, I do have two other jobs in order to support my livelihood here in Maui County. So, if I missed an opportunity, I deeply regret that, to be honest with you. I do agree as well that deed restrictions should be in perpetuity, not in a short amount of time. That is outlined in Kim Bell Williams' presentation, and I think all of the programs that she outlined we could implement tomorrow if we did it --

COUNCILMEMBER PALTIN: So...

MS. MILLER: -- or to expand what's already existing.

COUNCILMEMBER PALTIN: Just want to clarify. So, if we weren't to phase out short-term rentals, we should go full steam ahead in affordable in perpetuity, or both, or whatever?

MS. MILLER: Absolutely. I think that the housing crisis is not a matter of opinion, it's a fact. And so, we have to look at all of the different opportunities there in order to correct that. I truly feel that if phasing out the short-term rentals would solve the housing problem tomorrow, I would not be standing here testifying against Bill 9. I would have a different opinion. But the concern is that that's not what it's going to do, and it's going to harm people that are most vulnerable, even outlined by UHERO. And I understand that UHERO is a research economic establishment, but the other two economic studies that were done are done by people who are economists, and that's their full-time job, and they worked with the State of Hawai'i to create the DBEDT numbers and all of the things. So, it's worth considering those as well.

COUNCILMEMBER PALTIN: Yeah, yeah. And...and it would be helpful if everybody that supports those deed in perpetuity would come when we have that. Because it feels like they only come out when this is up. . . .(laughing) . . .

MS. MILLER: I think that part of that is just that there's an overwhelming amount of not understanding the process, right? And so, if information was more readily available, I think in a digestible way, maybe more people would show up, right? I don't know if that's more Instagram stories, or however to reach a certain age demographic of person that is working more frequently, right, and doesn't necessarily check their email all the time for the Council hearing updates.

UNIDENTIFIED SPEAKER: . . .(laughing) . . .

COUNCILMEMBER PALTIN: Thank you.

MS. MILLER: Thank you.

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CHAIR KAMA: Okay. Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is C. Rose Riley, to be followed by Lucienne de Naie, and then Shane Albritton.

MS. RILEY: Aloha. I would like to start by thanking Mayor Bissen and his team for their incredible opening statements and plan. As a 15-year fight against the vacation rentals, just from my limited perspective, I am so grateful to that Administration for finally coming forward and doing something. So, I have so many things that I would like to say, and I just want to start with the egregious misrepresentation of colonization tactics, talking about their, you know, involvement in the community, and how they contribute to this community. My family's lived on Maui for 30 years. They all left because they recognize that they are not able to help the Native Hawaiian community in a way that is significant enough to offset their living here. So, that is dedication to community. My sister speaks fluent Hawaiian. She can teach hula. My brother worked up on Haleakala over at the telescope. My mother was a social worker on Maui full-time for 20 years. I have spent 1,500 hours in the streets alone, educating the community, not to mention all the water meetings that I've been to, the Planning Department, all of the different ways that it is necessary to be an active member of this community. So, as I drive to Wailea to go to Big Beach to try and offset some steam, and notice that every single tree along that route is dying because they don't have water...but the two new developments out there at the very end, those guys still have their water, and reflect that there is brackish water in every single well in South Maui. I was there at the planning, the community meetings, the Water Department meetings, the County Council meetings, when we were discussing that development that went across from Kā'anapali, to talk about like putting in those two or . . .(timer sounds). . . three affordable homes, and ended up with, you know, the one or two...and then those guys didn't have water when we put it in. We said there was no water for that project ahead of time. Then we've got single mothers, mothers with tiny babies out there with strollers taking water back to their families in the streets for years because these rich guys needed to have their new investment water. And so, this is the continuous narrative across the board...the economics, which are based on fantasy, the, you know, different--I have a list, but--in any case, the water was inappropriately assessed. It is not negotiable that the new developments be made. We need to keep ours, and we need to have this new stuff. We do not have the water. Makawao forest is dying. I'm watching it happen. Other people who are trained in this western system are coming to me, and letting me know that they also recognize that Makawao forest is dying. . . (timer sounds). . . So, I do need to say that the long-term mismanagement of all of these things has accumulated to the certain needs of this community being put forth first. And that means the people that are dedicated to this land, this water, this way of life being a priority in this community at all times. There is no way that anybody who is financially contributing to this little amount of jobs for these little people is able to, in any way, provide any type of real support for this community. You have to be in the streets with us making the change, or you are not actually making the change.

CHAIR KAMA: Thank you, Ms. Riley.

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MS. RILEY: We have lost Ulu.

CHAIR KAMA: Ms. Riley...

MS. RILEY: They got kicked out of their place because --

CHAIR KAMA: Ms. Riley...

MS. RILEY: -- they were like, just...what...they wanted to renew their lease. That business didn't get to continue.

CHAIR KAMA: Ms. Riley...

MS. RILEY: Every time we have a good business, they're not allowed to continue.

CHAIR KAMA: Excuse me.

MS. RILEY: It is not --

CHAIR KAMA: Ms. Riley, your time is up.

MS. RILEY: -- okay to continue to say that, you know, these people are providing jobs.

CHAIR KAMA: Ms. Riley, your time is up. Thank you.

MS. RILEY: This is an elitist economy.

CHAIR KAMA: Thank you. Questions for anyone? Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Lucienne de Naie, to be followed by Shane Albritton.
(*pause*) Chair, I don't see Ms. de Naie on the call. Shall we go on to the next testifier?

CHAIR KAMA: Let's go on to Shane, and then we can always come back to her.

MR. ALBRITTON: Aloha mai kākou. My name is Shane Albritton, born and raised on Maui. I'm a teacher at Baldwin High School. I'm the ag teacher over there. And I wasn't expecting to be here all day. I got here at about 8:15, hoping I would be kind of high up on the list. And then when the doors opened, we saw a big rush of people come in here to get on the list first. And so, we got to listen to the whole first hour about how hard it is to own five vacation rentals on Maui. And I thought, what a great representation of how these investors put themselves ahead of the community. My grandparents bought their house in Kihei in the '50s for \$40,000. My mom bought my childhood home in Pukalani for \$100,000. And until pretty recently, I thought I would never be able to afford to buy a house here. The house I grew up in, that my mom bought for 100,000, that she had to sell because she couldn't afford, is worth over a million dollars now. It's like ten times the amount that, you know, my mom couldn't afford. So, when I...when I talk to my students at Baldwin about staying on Maui, and living on Maui, you can feel the hopelessness. Like they really don't feel like they have a chance...they have the

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opportunity to stay here, and make a living here, and really build a life here. And it's heartbreaking. And as an ag teacher, you know, theoretically, I'm trying to help train the future farmers of this place, but I...honestly, I cannot tell them, in good conscience, that they can be a farmer and make a living on Maui. And so, we...we really try to focus on . . .(timer sounds). . . subsistence farming, you know, growing things that you...you can help feed your family to try to offset some of the cost of living here. But obviously, we also...we need agriculture. I mean, I don't know about anyone else in the room, but given everything that's happening in the United States right now, like I...I cannot say I trust them to continue to send...send us enough food to eat. So, like I said, I wasn't planning on being here all day. My wife is real mad that I wasn't home today to help with all the stuff that we got going on. But I feel like it's important enough for me to be here and say this. I don't have any direct financial interest in supporting this bill, but you know, as someone who...whose family has been on Maui for five generations now, like I...I think it's super important for our community to start making moves to be able to provide a life here for our keiki. Mahalo. . . (timer sounds). . .

CHAIR KAMA: Questions for our testifier? Mr. Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. First off, as a teacher, I really appreciate what you do. And I'm a farmer myself, former teacher as well. So, thank you so much for your service. The message that you carry to your students, and the hopelessness that you describe, if this bill passes, do you think your message will change?

MR. ALBRITTON: Honestly, I think this bill is a good first step. I...I hope the County takes more steps to further kind of disincentivize the use of our very limited housing market as an investment vehicle for people that don't even live here. You know, I think if we can go...go further, you know, raise taxes on all investment...real estate investments, and try to provide an actual market for people who live here to be able to afford to work here and live here, that...that would be better. But I...I would say it's a...it sends a message, and it's a good first step.

COUNCILMEMBER JOHNSON: My email's pretty easy, so let's...let's chat. Thank you. Thank you, Chair.

CHAIR KAMA: Thank you, Mr. Johnson. Member Paltin?

COUNCILMEMBER PALTIN: Thank you so much, Mr. Albritton. Please tell your wife, we're...I'm very sorry, probably all of us are, but thank you for letting you to stay here as well. What I wanted to clarify, when you said about first step and then disincentivize, like...and...and how when your parents or your grandparents purchased homes, would like us creating affordable homes, but they have to be owner-occupied in perpetuity, or they have to be affordable in perpetuity, is that what you're speaking towards?

MR. ALBRITTON: I think that would...those would be measures that would help. I also think that raising property taxes on real estate investment to the point that it's not profitable would also help. But I think anything that we can do, you know, to kind of send a signal to the world that we want to prioritize people who actually have kuleana...you know,

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Hawaiians, generational, local families being able to stay here and, you know, have a working class on Maui would all...would all be helpful.

COUNCILMEMBER PALTIN: Thank you so much. And...and we're really sorry to your wife, and thank you for lending you to us.

CHAIR KAMA: Thank you. I have a question for you, Mr. Albritton. You talked about doing sustainable farming, and that's...so when you're teaching your class, are you helping them to figure out that no matter how large or small their backyards might be, that they can still do something?

MR. ALBRITTON: Absolutely. So, right now, we're...we're rebuilding our ag program. During COVID, it got all overgrown, so we're kind of still digging ourselves out of that hole. But right now, we're focusing on canoe crops--kalo, ulu, uala, maia--and I give them extra credit if they take home huli when they harvest kalo...and they're like, hey, grow this in your yard, send me a picture when you harvest, and give them extra credit. So, it's kind of like the main message, really, that I'm trying to instill in them right now is, we should all be participating in our food security.

CHAIR KAMA: Yeah. Yeah, yeah. Do you have a lot of participation with your students that actually take the...the ulu home, or the kalo, and actually plant it, and it actually grows?

MR. ALBRITTON: Yeah. They...they love it. So, right now, we're renovating our ag kitchen so that we can cook more of the stuff that we eat kind of on campus...but yeah. I mean, harvest time is their favorite. Pulling weeds is not their favorite.

UNIDENTIFIED SPEAKERS: . . .*(laughing)*. . .

CHAIR KAMA: Okay. Oh, yeah. Well, yeah. Cleaning the ulu patch is not, but I would continue to encourage you to talk to Mr. Johnson here. Because we call him the ag man, so...but he'd be very helpful in terms of assisting your classroom, as well as potential funding if you might need. So, yeah. So, thank you.

MR. ALBRITTON: Mahalo.

CHAIR KAMA: Thank you. Do you want to call up the next one?

MS. MCKINLEY: Chair, the next testifier is Kristina Mau. Would you like another after that?

CHAIR KAMA: No. Because I think we're going to probably close down. Kristina Mau? She should be here. *(pause)* Did we ever hear back from Lucienne de Naie? Okay. Okay. Is Kristina here?

MR. KRUEGER: Chair, should we call the next testifier?

CHAIR KAMA: Yes.

MS. MCKINLEY: Pardon me, Chair, I saw someone get up. I thought that was her.

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CHAIR KAMA: Yeah, I know.

MS. MCKINLEY: The next testifier is Ki'i Kaho'ohanohano, and that...

CHAIR KAMA: That's probably going to be our last testifier, yeah. So, Ki'i, are you here? I saw her earlier.

UNIDENTIFIED SPEAKER: She had to leave, but I know she was trying to watch.

CHAIR KAMA: Okay. I don't see...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR KAMA: So, while Ki'i's getting ready to come online, Ki'i will be our last testifier for today. We're going to recess until next week, Wednesday, the 18th, at 9:00 in the morning. I think the next testifier on the list would be Hoai Thuong Ha and we'll take anybody after that, whoever's on the list right now, and any others that might sign up.

MS. MCKINLEY: Okay. Ki'i has been enabled on our end.

CHAIR KAMA: Okay.

MS. KAHO'OHANO HANO: Aloha mai kākou. My name is Ki'i Nani...Ki'i Nani Kaho'ohanohano, and I am in strong support of...of Bill 9. Unfortunately, I'm running around trying to do like 18 things right now, so I'm just going to keep it simple and amplify the voices of all those that are in support for all the reasons. We need...we need solutions for housing. This is a good start. I do kāko'o all the mana'o as far as other solutions still being needed, but we cannot wait for the developments that are proposed and all of those things to occur. We've already lost so many folks that have had to move away from home. I understand that, you know, folks are concerned about the prices, you know, and I'm just going to say as a...as a...a mom of five who is paying rent currently, you know, that's the case. . . .*(laughing)*. . . I don't know how I'm going to pay my rent most of the time, but while there's a will, there's a way. We work hard, and we make it happen because we need to...we need a place to live, and we need to stay home. And, you know, my sentiments are with all of those that say, hey, I'd rather live in my car, or on the beach, before I leave home. And so, you know, whether these...you know, there's an argument also about whether or not these houses are fit for living...compared to living in your car or on the street, these places are fit for living. That's why people stay there. That's why they choose STRs, so that they can cook food. And, you know, that argument also leads into another argument about our restaurants and our...you know, our businesses being harmed in this way. No, actually, having to...having the option to cook within those units actually takes away from them going and dining in restaurants and such. There's so many points to . . .*(timer sounds)*. . . be made, but I just do honor you folks, and...and mahalo you, all of you doing your due diligence to really look into how this can work for our people. So, again, mahalo.

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CHAIR KAMA: Thank you. Members, questions for Ms. Kaho'ohanohano? Seeing none. Thank you so very much for your testimony. So --

MS. KAHO'OHANOHANO: Mahalo.

CHAIR KAMA: -- Members, as of just a few moments ago, we had 176 people signed up to testify. We've gone through only 32 today. A lot of people didn't come on, and we've still got some people that are pretty much outstanding when we call their names. They didn't show up, so they probably had to leave, but nonetheless, they're still on our list. So, if they show up at a different time and sign up, then we'll just put them back in their order that they signed up when they were here today. So, other than that...yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I just --

CHAIR KAMA: Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: -- I quickly did the math. I think it's 52 --

CHAIR KAMA: Oh, 52?

COUNCILMEMBER RAWLINS-FERNANDEZ: -- testifiers.

CHAIR KAMA: Okay. Well, thank you. Appreciate that. So, anyway, that's pretty much the status today, but I anticipate more people signing up even next week, Wednesday, when we have our next recessed meeting. So, as of this moment, Members, if...yes, Member Paltin?

COUNCILMEMBER PALTIN: I was going to ask Member Rawlins-Fernandez if she anticipates using her whole day on Thursday. Half-day?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, I could probably do that.

COUNCILMEMBER PALTIN: And then I would, if...if it's all right, I can move my meeting to her day, and you can have the...

CHAIR KAMA: Oh, you're going to take her day, and you're going to give me your day on Wednesday?

COUNCILMEMBER PALTIN: I'll...I'll take half her day...because she has the all day --

CHAIR KAMA: Oh, that's right. She has the whole day.

COUNCILMEMBER PALTIN: -- Thursday, and then you can do all day Wednesday.

CHAIR KAMA: If that's okay with the body?

COUNCILMEMBER RAWLINS-FERNANDEZ: I'm okay with that. You can have the morning.

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COUNCILMEMBER PALTIN: Oh, I can have the morning?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER PALTIN: Okay. I'll take the morning.

CHAIR KAMA: Okay. Okay. But...

COUNCILMEMBER RAWLINS-FERNANDEZ: And then we'll have the whole day for the 18th?

CHAIR KAMA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I'll just have to make flights.

CHAIR KAMA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR KAMA: Thank you. So, we're going to recess until the 18th, from 9:00 to 4:30.

COUNCILMEMBER PALTIN: And --

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: -- me and you both have all Members on our Committee, so it --

CHAIR KAMA: Right.

COUNCILMEMBER PALTIN: -- wouldn't be like you got to make a change or...or something --

CHAIR KAMA: Right.

COUNCILMEMBER PALTIN: -- for Wednesday. For Thursday, some people might have to, though.

CHAIR KAMA: Right. But I think we're good, Members?

MR. KRUEGER: Chair?

CHAIR KAMA: Yes.

MR. KRUEGER: Apologies. Just...so, just for the record, the recess date and time will be June 18th --

CHAIR KAMA: Yes.

MR. KRUEGER: -- at 9:00 a.m. --

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CHAIR KAMA: Yes.

MR. KRUEGER: -- with the same Teams connection --

CHAIR KAMA: Yes.

MR. KRUEGER: -- for the online, and then with the same --

CHAIR KAMA: Yes.

MR. KRUEGER: -- in-person viewing available here in the Chamber?

CHAIR KAMA: Yes.

COUNCILMEMBER LEE: Chair?

CHAIR KAMA: Yes. Chair Lee?

COUNCILMEMBER LEE: And then...and then if we have to take another day, do you have a...a day in mind?

CHAIR KAMA: Well, I think we talked about the --

COUNCILMEMBER LEE: 24th.

CHAIR KAMA: -- 23rd, 24th, 25th...and I know we talked about the 27th too, but you've got a Council meeting on the 27th, right?

COUNCILMEMBER LEE: Yeah. Right.

CHAIR KAMA: So, beyond that, we didn't plan, but I figure by next week, I should have, for sure.

COUNCILMEMBER LEE: Okay.

CHAIR KAMA: Yeah. Member Johnson, did you...

COUNCILMEMBER JOHNSON: If you've got it sorted out, you got it sorted out, but you could also use my July 3rd meeting.

CHAIR KAMA: Your July 30th [sic]?

COUNCILMEMBER JOHNSON: For 3rd.

CHAIR KAMA: July 3rd.

COUNCILMEMBER JOHNSON: I think that was . . . *(inaudible)* . . .

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CHAIR KAMA: Oh, yes, yes. Thank you.

COUNCILMEMBER JOHNSON: Yeah.

CHAIR KAMA: Yeah, Kate talked to us about that, so...

COUNCILMEMBER JOHNSON: And that's full...full eight hours . . .*(inaudible)*. . .

CHAIR KAMA: Right. Okay. Thank you. So, Member Rawlins-Fernandez, did you have...

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. And we also moved our Council meeting from the 20th to the 27th --

CHAIR KAMA: Right, right.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- so I don't know if that would work for folks.

CHAIR KAMA: Okay. So, I think we went from the 18th, right, to the 23rd, and then...I mean, all day, right, on the 18th, until the 23rd. So...well, we're moving.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, not the 20th.

CHAIR KAMA: Yeah, not the 20th. Okay. So, Members, are we good? Okay. Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: We would start off with where we left off on the testifier 61.

CHAIR KAMA: On the...yes, on the list.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR KAMA: I think...who's the next name on the list, Ellen? That was...

MS. MCKINLEY: Chair, the next testifier --

CHAIR KAMA: Yeah.

MS. MCKINLEY: -- is Hoai Thuong Ha.

COUNCILMEMBER PALTIN: Oh, Ellen, wasn't there some folks that said they wanted to testify on the 18th on the list, though?

MS. MCKINLEY: Yeah. There are some people that we would like to come back to--Lucienne de Naie, maybe David Switzenberg, John Angel.

CHAIR KAMA: Yeah. Those people that when we called today --

MS. MCKINLEY: Yeah.

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CHAIR KAMA: -- they didn't respond. So, we'll go back and call them out, right, see if they're here, and then we'll continue with the list, like that. Good?

COUNCILMEMBERS VOICED NO OBJECTIONS (excused: NUH, YLS).

CHAIR KAMA: All right. Members, it is now 4:20 in the afternoon, and the HLU Committee meeting of June 9th, 2025, is now in recess until June 18th at 9:00 a.m. in the morning. Thank you, Members. Meeting now in recess. . . .*(gavel)*. . .

RECESS: 4:21 p.m.

hlu:min:250609min:ds

Transcribed by: Daniel Schoenbeck

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CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 114 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 3rd day of July 2025, in Wailuku, Hawai'i



Daniel Schoenbeck