# Housing and Land Use Committee (2025-2027) on 2025-07-02 9:00 AM - Reconvened from 6/9, 6/18, 6/23, 6/24, & 6/25/2025

Meeting Time: 07-02-25 09:00

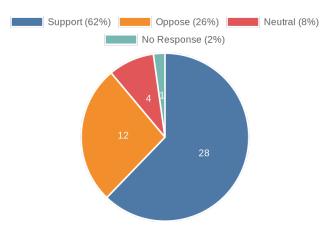
# eComments Report

Meetings	Meeting Time	Agenda Items	Comments	Support	Oppose	Neutral
Housing and Land Use Committee (2025- 2027) on 2025-07-02 9:00 AM - Reconvened from 6/9, 6/18, 6/23, 6/24, & 6/25/2025	07-02-25 09:00	2	45	28	12	4

# Sentiments for All Meetings

The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

**Overall Sentiment** 



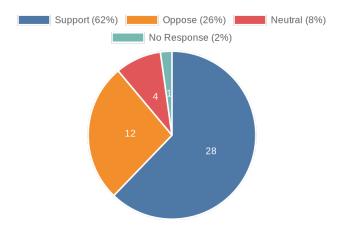
# Housing and Land Use Committee (2025-2027) on 2025-07-02 9:00 AM - Reconvened from 6/9, 6/18, 6/23, 6/24, & 6/25/2025 07-02-25 09:00

Agenda Name	Comments	Support	Oppose	Neutral
AGENDA	22	17	3	2
HLU-4 Bill 9 (2025) BILL 9 (2025), AMENDING CHAPTERS 19.12, 19.32, AND 19.37, MAUI COUNTY CODE, RELATING TO TRANSIENT VACATION RENTALS IN APARTMENT DISTRICTS (HLU-4)	23	11	9	2

#### Sentiments for All Agenda Items

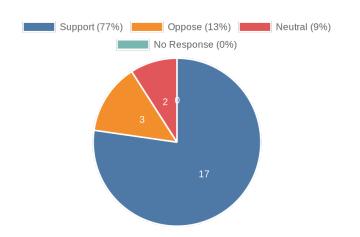
The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

#### **Overall Sentiment**



Agenda Item: eComments for A G E N D A

#### **Overall Sentiment**



#### Guest User

Location: Submitted At: 2:38pm 07-02-25

Executive session

#### **Guest User**

Location: Submitted At: 1:06pm 07-02-25

I urge the Committee to strengthen Bill 9 by including the necessary repeal language and ensuring that the Minatoya-based exceptions are lawfully sunset. Only then can we restore balance in our communities, reclaim housing for residents, and begin to resolve the affordability, displacement, and over-tourism crises threatening our island's future.

#### **Guest User**

Location: Submitted At: 10:51am 07-02-25

County Council: Curious is there is a conflict of interest if any council members who may own property on the Minatoya list should recuse from voting on the bill?

#### Guest User

Location: Submitted At: 4:24am 07-02-25

Why not the entire Minatoya list? We have plenty of hotels for visitors and even have ben and breakfast permits still available. After the Wailea vote, this must be how the 5 are going to get housing back, why else would they vote to REDUCE affordable housing. Include residential zones in Bill 9 and just get it all fixed in one shot. Residents are asking for this, not hotels. Either way, the money leave the island with 94% foreign owned. Hotels hire the locals but also provide benefits and stability. This will not at all, stop people from coming and everyone knows it.

Guest User Location: Submitted At: 1:02am 07-02-25

#### Minatoya history

The legal use of short term rental in the Apartment districts of Maui County is an issue that goes back more than 50 years. It has been governed by 4 ordinances passed by the Maui County Council since 1981. Each of these ordinances conditionally affirmed the legal right to rent properties located in Apartment districts for period less than 180 days at a time. Listed below are links to each of these ordinances and comments on how each affirmed legal short term rental use in the Apartment districts.

# On April 20, 1981 Ordinance 1174 took effect:

# https://www.mauicounty.gov/DocumentCenter/View/17628/Ord-1134

Ordinance 1174 was the first reference in Maui County Code to Short Term Rental uses. It created definitions for Timeshares and Transient Vacation Rentals. And it specifically defined that these uses that were already taking place would not be impaired by this new ordinance. Essentially grandfathering all Timeshare and Transient Vacation Rentals uses legally taking place in any zoning district of Maui County. It went on further to specify that new Time Share and Transient vacation rental uses would be directed exclusively to the Apartment and Hotel Districts. It conditioned these uses with a requirement that the use be prominently be authorized in the project documents.

# Exactly 8 years later Ordinance 1797 became effective on April 20, 1989:

# https://www.mauicounty.gov/DocumentCenter/View/15902/Ord-1797

This ordinance removed motels as being allowable structures in the Apartment districts and amended the definitions of the types of structures allowed in the Apartment Districts and restricted the Apartment districts to Long Term Residential use. Most importantly this ordinance contained a section that stated that this ordinance would not apply to buildings having approved building permits or SMA issued prior to the enactment of this ordinance. This exception being called out was a bit different from grandfathering and existing use. It meant that these existing buildings, and existing permits to build new buildings, would not be impacted by this ordinance. Specifically that these buildings would not need to be occupied on a long term residential basis. It is notable, that this ordinance did not remove the part of the County Code that specifically directed Timeshare and Transient Vacation Rentals use to the Apartment districts. This omission created an inconsistency within the County code for newly created Timeshare and Transient Vacation Rentals use uses. But did not impact legally existing uses.

On March 4, 1991, Ordnance 1989 https://www.mauicounty.gov/DocumentCenter/View/14316/Ord-1989 sought to address the inconsistency noted above by amending the Geographic Restrictions contained Maui Count Code 19.37.010 by removing the Apartment District from the areas where Timeshares and Transient Vacation Rentals had been directed to by the code. But again made clear that those uses legally taking place in the Apartment district may continue unimpaired by this new restriction.

On July 27, 2001, then Maui County Mayor James Kimo Apana asked his Corporation Council for a legal opinion on what apartment zoned properties were legally allowed to make Transient Vacation Rental uses. Deputy Corporation Council, Richard Minatoya, responded in a memo to the Mayor with an answer to this question with the following response:

http://www.luxuryrealestatemaui.com/uploads/agent-1/minatoya.opinion.pdf

This memo has since been referred to as the Minatoya Opinion. That gave the name to the apartment zoned properties impacted by the aforementioned ordinances. His opinion confirmed the legal status for apartment zoned properties built or having permits issued prior to April 20, 1989 OR having started making Transient Vacation Rental uses prior to March 4, 1991.

# On April 8, 2014, Ordinance 4167 was signed into law

# https://www.mauicounty.gov/DocumentCenter/View/96114/Ord-4167

The stated purpose of this ordinance was to codify the exceptions contained in section 11 of Ordinance 1797 and to remove any questions about these properties right to make Transient Vacation Rental uses. This codification of this use made all the aforementioned history irrelevant. Because it placed into code the legal conditional Transient Vacation Rentals uses in the apartment district. So no one would ever have to look back to ordinances passed 25 years earlier and debate what the meaning of un codified sections are or question the Minatoya Opinion.

On September 26, 2020, Ordinance 5126 was signed into law,

https://www.mauicounty.gov/DocumentCenter/View/124091/Ord-5126

This ordinance again confirmed the legal Use of Transient Vacation Rentals uses in the apartment districts, but requiring that these uses must have been initiated prior to September 24, 2020. The intent of this ordinance was to keep any new Transient Vacation Rentals from being started in buildings that had not previously made such uses.

The permissible uses in the Apartment districts were amended two more times since 2020, each time affirming the ongoing legal use of Transient

vacation Rental in the properties previously identified as the Minatoya properties.

# **Guest User**

Location: Submitted At: 7:21pm 07-01-25 We must move forward with courage and conviction

# **Guest User**

Location: Submitted At: 6:43pm 07-01-25

Aloha Chair Kama and Committee Members,

I submit this testimony in strong support of Bill 9, which responsibly phases out short-term vacation rentals (STVRs) in properties zoned A-1 and A-2, also known as the Apartment District. The current market inventory and broader economic signals indicate that this bill is not only timely—it is necessary.

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\_ Why Condo Inventory Is Surging: Systemic Pressure and Market Instability

As of July 2025, over 4.2% of Maui's fee simple condominium inventory is actively listed for sale. This figure is not merely reflective of typical market turnover. It reveals a reactive exodus driven by systemic financial stressors. Bill 9 helps to stabilize this situation by removing one of the most destabilizing variables: unregulated and speculative short-term rental use in apartment-zoned properties.

- 1. Rising Maintenance Fees
- Many older condominium complexes are seeing 15–30% annual increases in HOA fees, largely due to:
- Years of deferred maintenance;
- Inflation in labor and materials; and
- New reserve funding requirements following catastrophic losses and market corrections.

• Monthly maintenance fees in some cases now rival or exceed mortgage payments, making units financially unfeasible for long-term owners or working residents.

- 2. Insurance Premium Spikes
- In the wake of the 2023 L\_hain\_ fires, insurance carriers have repriced risk islandwide:
- Premiums are rising sharply.

• Coverage availability is shrinking—especially for wood-framed buildings or those lacking sprinklers and fireresistant upgrades.

• This is diminishing condo values, undermining appraisals, and contributing to ownership stress.

3. Special Assessments & Deferred Maintenance

• Many buildings in the STVR-heavy zones are 40+ years old, with failing:

- Roofs
- Plumbing
- Elevators

• Associations are now imposing large special assessments, often exceeding \$50,000 per unit, to catch up on long-ignored capital improvements.

• These assessments shock owners and deter prospective buyers. They also erode long-term affordability for residents.

4. Short-Term Rental Uncertainty

• The Minatoya Exemption, which allowed transient accommodations in apartment districts, is facing long-overdue reform through Bill 9.

• As owners and investors brace for the loss of STVR revenue, many are listing preemptively—not due to traditional market cycles, but out of fear of value loss or income collapse.

• This surge is speculative, fear-driven, and a direct reflection of years of overreliance on tourism economics in residential zones.

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\_ What the 4.2% Listing Rate Really Means

This is not business as usual. This surge reflects:

- Loss of confidence among investors and STVR owners;
- Financial unsustainability for long-term residents and buyers;
- Structural instability in a housing model that overleveraged aging infrastructure for transient profits.

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\_ Conclusion: Bill 9 Is Part of the Solution, Not the Problem

The market is speaking clearly: this model is broken. The convergence of cost inflation, legal uncertainty, and aging infrastructure has reached a tipping point. Bill 9 does not create instability—it responds to it by:

- Restoring clarity and lawful zoning intent to the Apartment District;
- Encouraging long-term, resident-based occupancy;
- Making condo ownership more financially sustainable in the long term; and
- Slowing speculative pressure that displaces local families.

If we want to preserve housing, stabilize Maui's communities, and reverse the hollowing-out of our neighborhoods, then Bill 9 must pass. This is not an attack on investors—it is a correction of course that protects the public trust and realigns policy with our housing goals.

Mahalo for your time, courage, and commitment to the people of Maui.

Sincerely,

Rose Pagan Haiku Resident

# Guest User

Location: Submitted At: 3:49pm 07-01-25

Bill 9 does not collapse Maui's economy—it stabilizes it. The fears expressed are rooted in investor self-interest, not public interest. Transitioning from tourism-saturated zoning toward housing-focused use is necessary for Maui's future. There is no sustainable path forward that does not involve correcting the misuse of Apartment District properties.

# Guest User

Location: Submitted At: 3:08pm 07-01-25

Supporting Bill 9 is not about exclusion—it is about strategic population correction. Maui cannot continue to absorb unrestricted growth while failing to meet the basic safety and psychological needs of our existing population.

John Leialoha

Guest User Location: Submitted At: 1:34pm 07-01-25 Aloha.

My name is Patricia, and I was born and raised here on Maui. My husband and I have worked hard our whole lives to support our family, and we depend on the jobs that short-term rentals provide. I clean condos that are rented on Airbnb, and my husband takes care of the landscaping for the same property. If you take away short-term rentals in apartment-zoned areas, we will both lose our jobs. How will we afford our rent?

I know there's a lot of talk about these rentals hurting locals, but for us, they are the reason we can pay our rent, buy food, and take care of our keiki. Without these jobs, I don't know what we're going to do. There's already barely any work for us. We're not the ones making big money off these rentals—we're just trying to survive, like so many other local families who depend on tourism.

If these owners can't rent their places short-term, they won't need housekeepers like me or landscapers like my husband. They'll shut down their units, and all of us who work for them will be left struggling. We don't have the luxury of just "finding something else." Where are we supposed to go? What jobs will replace the ones you're taking away from us?

I understand the need for affordable housing, but this isn't the way to fix the problem. Please don't make it even harder for local working families like mine. We need these jobs to survive.

Mahalo for listening, Patricia

Guest User Location: Submitted At: 11:36am 07-01-25 Listen to Stan Franco

Guest User Location: Submitted At: 10:52am 07-01-25

WRITTEN TESTIMONY IN SUPPORT OF BILL 9

(Inspired by Psalms 30–35) Submitted to the Maui County Council Housing and Land Use Committee

Chair and Committee Members,

I offer this testimony in strong support of Bill 9, which seeks to prohibit transient vacation rentals (TVRs) in properties within the Apartment District, specifically those zoned A-1 and A-2. This policy is not merely a technical zoning correction; it is a moral realignment—a turning point where our community must decide whether we serve profit or people, speculation or stewardship.

Drawing on the spiritual wisdom of Psalms 30 through 35, I submit the following insights to guide our collective discernment:

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1. "Weeping may endure for a night, but joy comes in the morning." - Psalm 30:5

Bill 9 is a chance to end the long night of displacement endured by working families, k\_puna, and Native

Hawaiian residents who have been priced out and pushed aside. Joy will return to our island when homes once again serve neighbors—not transient guests. This bill turns mourning into dancing for many.

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2. "Into Your hands I commit my spirit; You have redeemed me, O Lord God of truth." - Psalm 31:5

We ask the County to act as a redeemer of public trust, restoring integrity to our land use system. The informal loopholes that enabled transient uses in apartment zones were never adopted through proper democratic process. Bill 9 corrects this deviation and affirms a simple truth: zoning must reflect purpose, not profit.

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3. "Blessed is the one whose transgression is forgiven... in whose spirit there is no deceit." – Psalm 32:1–2

Forgiveness and healing begin when we acknowledge our past errors. For decades, the County turned a blind eye to the misuse of Apartment District zoning. Bill 9 represents repentance in policy form—a chance to admit that short-term rentals in these zones were never intended, and now must be phased out for the public good.

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4. "By the word of the Lord the heavens were made... He brings the counsel of the nations to nothing." – Psalm 33:6,10

We must not fear threats of lawsuits or economic doom from outside investors. Their counsel may carry weight in other halls, but the sovereignty of this land lies with its people. Just as creation obeys the voice of God, so too must our policies align with the deeper order of justice and sustainability.

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5. "The Lord is near to those who have a broken heart... Many are the afflictions of the righteous, but the Lord delivers them out of them all." – Psalm 34:18–19

L\_hain\_'s suffering is not abstract. The wildfire, the housing crisis, the overcrowded roads, the rising tides of displacement—these are real afflictions, and their root is policy failure. This bill is not a punishment; it is a path to deliverance for the local residents who have endured so much and asked for so little.

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6. "Contend, O Lord, with those who contend with me; fight against those who fight against me." - Psalm 35:1

Many of us do not have the wealth or lawyers to fight zoning abuse. We ask you, our Council, to contend on our behalf—to wield the power of law to protect the weak, not defend the loopholes of the powerful. This is not about vilifying property owners; it is about restoring balance and reaffirming purpose.

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**Final Reflection** 

These Psalms remind us that justice, like the land, is sacred. They remind us to lift up the brokenhearted, to confess and correct missteps, to fear not the wealthy nor the mighty, and to always defend the righteous cause.

Bill 9 is not just good policy—it is moral leadership. It is the beginning of a new morning for Maui, where homes are for residents, and land is held in trust for the next generation.

I urge you to pass Bill 9 in full.

Let this be the psalm our island sings: that after the long night of displacement and speculation, joy has come in

the morning.

With aloha and conviction,

Justin Rante

# Guest User

Location: Submitted At: 10:35am 07-01-25

Written Testimony in Support of Bill 9 Submitted by: Renee P. Kaiama, Broker/Owner, Maui Real Estate 808 Fifth-Generation Resident, County of Maui To: Maui County Council – Housing and Land Use Committee

# Aloha Chair and Councilmembers:

Thank you for the opportunity to submit testimony in support of Bill 9. My name is Renee P. Kaiama. I am a licensed real estate broker, the owner of Maui Real Estate 808, and a fifth-generation resident of Maui. I submit this testimony not on behalf of any clients or commercial interest, but in my individual capacity as a professional with deep roots in the community and firsthand knowledge of the impacts of land use decisions on residents, housing markets, and neighborhood dynamics.

1. Purpose of Bill 9 and Zoning Consistency

Bill 9 represents a long-overdue effort to realign the permitted uses in Maui's Apartment District (zoned A-1 and A-2) with the original and intended purposes of apartment zoning under the Maui County Code. Over time, the practice of allowing transient vacation rentals (TVRs) in these districts—largely through the legal interpretation commonly referred to as the "Minatoya Exemption"—has created a divergence between zoning designation and actual land use. This has led to legal ambiguity, regulatory inconsistency, and challenges in long-term planning. The proposed bill is a corrective measure. It does not introduce a new restriction arbitrarily; it restores coherence between the zoning ordinance and the County's stated land use goals, particularly as outlined in the General Plan and housing policy documents. Land use is a core tool of governance, and its credibility depends on its clarity, enforceability, and alignment with public purpose.

2. Recognizing Impacts and Trade-Offs

This bill acknowledges the economic and social trade-offs involved. Some current owners and operators of shortterm vacation units in apartment zones have relied on legal interpretations that allowed them to operate under existing law. Many have invested in these properties with a clear understanding of what was previously permitted. The proposed phase-out will result in financial adjustments, lost income potential, and a decrease in short-term rental tax revenue for the County.

At the same time, these uses have constrained the long-term rental housing supply. While quantifying that impact falls to others offering data-driven evidence, it is evident from neighborhood dynamics and market behavior that a substantial number of apartment-zoned units have been diverted from residential use. This directly affects the availability, affordability, and stability of housing for Maui's residents.

The housing crisis is not caused solely by short-term rentals, nor will it be solved by a single bill. However, restoring apartment-zoned properties to long-term residential use is a targeted, jurisdictionally appropriate response within the County's authority to address one contributing factor to housing scarcity.

3. Planning, Enforcement, and Governance Integrity

This legislation is as much about governance integrity as it is about housing policy. When permitted uses in a zoning district become detached from the policy rationale for the district itself, the legal framework loses its consistency. Enforcement becomes arbitrary or infeasible, and public confidence erodes. Bill 9 helps reestablish a predictable regulatory environment where zoning maps, land use plans, and community expectations are aligned. It also underscores that land use permissions are not permanent entitlements. They are conditional grants, subject to change as public needs evolve. The County has a right—and a duty—to reevaluate those permissions when the broader impacts no longer support their continuation.

4. Community Division and the Need for Resolution

The issue has created clear divisions within the community, including between residents with economic ties to short-term rentals and those who have struggled to remain housed on island. Both groups include long-standing community members, taxpayers, and business owners. The bill does not seek to assign blame. It seeks to resolve a land use conflict through a legislative mechanism that offers transparency, fairness, and advance notice of change.

No solution will be universally accepted. But inaction—especially in the face of ongoing displacement and housing insecurity—would reflect a failure to exercise public leadership. This bill takes a step toward a more sustainable balance.

5. Conclusion

Bill 9 is a necessary and measured policy action. It corrects a structural misalignment in the County's zoning framework, addresses one dimension of the broader housing crisis, and reaffirms the County's capacity to make land use decisions in the public interest. As a real estate professional and a lifelong resident, I support this legislation based on principle, not ideology.

Thank you for considering my testimony. Respectfully submitted,

Renee P. Kaiama

Broker/Owner, Maui Real Estate 808

Fifth-Generation Resident, County of Maui

# Guest User

Location: Submitted At: 10:20am 07-01-25

Those short term rental units are not suitable for local families, one bedroom with over 1000 HOA fees you got to be kidding me. Bill 9 will eliminate 7000 units meaning tourists will not be coming back, and so the economy of Maui will be destroyed. What's the meaning of having tons of empty one bedrooms when people are unemployed? Use common sense.

#### **Guest User**

Location: Submitted At: 10:18am 07-01-25

Implement smart depopulation of speculative non-resident ownership by regulating ownership, taxation, and use.

#### **Guest User**

Location: Submitted At: 10:10pm 06-30-25

Aloha Chair and Honorable Members of the Committee,

I submit this testimony in strong support of Bill 9, which seeks to phase out short-term vacation rentals (STVRs) in the Apartment District, specifically those zoned A-1 and A-2.

Public Safety Crisis: Operation Keiki Shield 28 as a Wake-Up Call

Between June 27 and June 29, 2025, law enforcement agencies conducted Operation Keiki Shield 28 on the island of Maui. In just 72 hours, six men were arrested for attempting to engage in sexual acts with children they believed to be minors. These individuals—ranging in age from 36 to 86—were all Maui residents, many from the overdeveloped, tourist-heavy town of Kihei.

This operation reveals an undeniable and disturbing truth: Maui's overpopulated neighborhoods are not just overcrowded—they are becoming breeding grounds for predatory behavior, fueled by transience, anonymity, and digital access. When community roots are displaced by speculative interests and short-term renters, accountability erodes, and our keiki pay the price.

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Moral and Structural Failure of Overpopulation

Bill 9 is a necessary corrective to the unchecked commodification of apartment-zoned housing, which has:

- Replaced stable, long-term residents with a rotating cast of unknown and unvetted individuals.
- Increased transience and anonymity in formerly tight-knit communities.
- Strained public safety infrastructure—including policing, child protection, and emergency services.

The arrests under Operation Keiki Shield 28 should shock our collective conscience. These were not visitors. These were local residents exploiting a fragmented, overstressed, and digitally accessible environment. Yet the systemic conditions that enable such behavior are directly tied to:

- The erosion of local housing stock for residential use.
- The concentration of unregulated activity in high-density apartment zones.
- The County's prior reluctance to prioritize the well-being of families and children over investor returns.

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Strategic Depopulation Is Protection, Not Punishment

Supporting Bill 9 is not about exclusion—it is about strategic population correction. Maui cannot continue to absorb unrestricted growth while failing to meet the basic safety and psychological needs of our existing population.

Depopulation, in the context of this bill, refers to:

- Reducing transient occupancy in residential zones.
- Reclaiming apartment districts for residents, families, k\_puna, and keiki.
- Lowering the density pressures that allow criminal, exploitative, and predatory behavior to flourish undetected.

If we cannot safeguard children in their own communities, then what are our laws for?

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Conclusion: A Duty to Protect Our Keiki and Restore Integrity to Land Use

Bill 9 is not radical. It is responsible. It affirms that residential zones must be protected from the chaos of commodified living, especially in a post-L\_hain\_ context, where recovery depends on restoring public trust and community values.

I urge you to vote yes on Bill 9, and to do so with the moral clarity that our children's safety cannot be compromised in favor of unearned passive income or speculative ROI. Let Maui return to a place where families thrive, not just investors.

Mahalo for your consideration.

Respectfully,

Austin Maniago Kahului Resident

# **Guest User**

Location: Submitted At: 5:12pm 06-30-25

Bill 9 is quietly propped up by the hotel industry. They don't want the island to "go back to the people." They want a monopoly.

# Allin Bohba

Location: Submitted At: 11:05pm 06-29-25

To the Maui County Council Housing and Land Use Committee,

This testimony is submitted in support of Bill 9, which proposes to remove the Minatoya Exemption allowing shortterm vacation rentals (STVRs) within the Apartment District, specifically properties zoned A-1 and A-2. Originally, zoning in these districts did not permit STVRs, as these areas were intended exclusively for long-term residential use. The Minatoya Exemption, created by an administrative legal opinion in 2001, circumvented the original zoning intent by effectively legalizing STVRs that existed prior to 1991 without formal legislative approval. Bill 9 seeks to reverse this administrative exemption and restore the residential character of these zones.

FACT: Maui is currently facing a critical housing shortage, acknowledged through the State of Hawai'i's emergency housing proclamation. FACT: This shortage has been further intensified by the 2023 L\_hain\_wildfires, which caused devastating loss of homes and significant economic damage. FACT: Returning apartment-zoned properties to their intended use as long-term housing will help address this shortage by increasing the availability of residential units for local residents, workers, and k\_puna. This action is an essential step toward ensuring sustainable community development and housing stability on the island.

While some concerns have been raised about potential job losses within the tourism sector resulting from the reduction of STVRs, it is important to note that these employment effects can be absorbed. FACT: Current labor market data shows vacancies across various industries, including healthcare, education, and retail. Additionally, ongoing business and industrial growth, along with expansion in the hotel and construction sectors, provide opportunities for displaced workers to transition to new or existing jobs. This reallocation of employment aligns with broader economic diversification strategies and supports workforce stability in Maui.

From a land use perspective, Bill 9 reinforces the County's zoning objectives by maintaining clear distinctions between residential and commercial visitor accommodations. Condominium complexes and other commercial tourism operations that are properly zoned outside the Apartment District will remain unaffected. Furthermore, there are opportunities to rezone commercial and industrial areas with high vacancy rates to residential use, offering alternative locations for housing development without diminishing the island's tourism capacity.

Public safety considerations further support Bill 9. Overpopulation and increased vehicle density associated with concentrated short-term rentals in residential apartment zones elevate wildfire risks, a factor demonstrated tragically by the L\_hain\_ fires. By limiting STVRs in these zones, Bill 9 contributes to reducing population density and traffic congestion, mitigating wildfire risk, and advancing public safety and environmental resilience.

Legally, Bill 9 falls within the County's authority to regulate land use under its police powers to promote public health, safety, and welfare. Courts have consistently upheld zoning changes aimed at addressing housing needs and reducing harmful externalities. The County's home rule authority under the Hawai'i Constitution further supports this legislative action. The County is prepared to defend Bill 9 against any legal challenges based on the principles of amortization of nonconforming uses and legitimate land use regulation.

In conclusion, Bill 9 addresses the inappropriate legalization of short-term rentals in residential apartment zones that undermines housing availability and public safety. The bill is a necessary corrective to restore zoning integrity, mitigate wildfire risks, and support sustainable housing solutions for Maui's residents. The potential employment impact in the tourism sector is manageable and can be absorbed through current labor market vacancies, business growth, and expanding industries such as hotels and construction. For these reasons, it is respectfully recommended that the Housing and Land Use Committee approve Bill 9 and forward it with full support to the Maui County Council for final review and enactment.

Respectfully submitted,

Allin Bohba Wailea Resident

# Lore Menin

Location: Submitted At: 8:06pm 06-29-25 If something is broken you fix it

# **Edward Codelia**

Location: Submitted At: 4:31pm 06-29-25

Every island must make a choice: between becoming a playground for the world or a home for its people. The commodification of housing has gone too far. We cannot allow every unit, every street, every apartment complex, every home to become a resort-by-default.

Written Testimony in Support of Bill 9 attached.

#### **Guest User**

Location: Submitted At: 10:36am 06-29-25

Implement smart depopulation of speculative non-resident ownership by regulating ownership, taxation, and use.

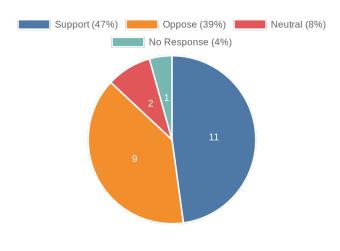
# Greg Rylsky

Location: Submitted At: 5:32pm 06-25-25

Aloha HLU committee. Please consider including all non-hotel zone Minatoya properties in. Bill 9. Remove the brackets.

Agenda Item: eComments for HLU-4 Bill 9 (2025) BILL 9 (2025), AMENDING CHAPTERS 19.12, 19.32, AND 19.37, MAUI COUNTY CODE, RELATING TO TRANSIENT VACATION RENTALS IN APARTMENT DISTRICTS (HLU-4)

#### **Overall Sentiment**



#### **Guest User**

Location: Submitted At: 2:44pm 07-02-25

I strongly support Bill 9 (2025), CD1, and urge the Council to adopt it with amendments that explicitly repeal all legal protections associated with the so-called Minatoya properties. The Minatoya Opinion, issued in 2001 as a legal memo—not legislation—was never intended to serve as permanent zoning law. Yet it was later codified through Ordinances 4167 (2014) and 5126 (2020), allowing transient vacation rentals (TVRs) to persist in the Apartment District (A-1 and A-2 zones) based on construction or usage dates decades ago. This carve-out undermines the County's housing goals, contradicts the 1989 change to restrict Apartment zoning to long-term residential use, and continues to privilege a class of investors at the expense of working families, local renters, and residents displaced by tourism-driven housing scarcity.

To be truly effective, Bill 9 must sunset all TVR operations in the Apartment District, with no exceptions for

Minatoya-era properties. The Apartment District was never intended to serve as an unregulated extension of the Hotel District. The continued operation of transient rentals in these areas fuels speculative investment, drives up housing costs, overwhelms infrastructure, and erodes neighborhood stability. The Council must act decisively by repealing Ordinances 4167 and 5126, voiding all references to the Minatoya Opinion, and restoring the Apartment District to its rightful purpose: long-term residential housing for the people of Maui.

# Guest User

Location: Submitted At: 2:18pm 07-02-25

# Chair and Committee Members:

I strongly support the intent and objectives of Bill 9 (2025), CD1 to phase out transient vacation rental (TVR) operations in properties zoned Apartment (A-1 and A-2) across Maui County. However, to ensure this bill is fully effective and enforceable, I respectfully request the Council adopt specific amendments to repeal the Minatoya protections and eliminate all remaining exemptions granted to so-called "Minatoya properties."

# WHY A FULL REPEAL IS NECESSARY

The Minatoya Opinion (2001) was never law—it was an internal legal interpretation issued by Deputy Corporation Counsel to a former mayor, not an act of the Council. Yet, over time, this opinion was codified and reaffirmed through Ordinances 4167 (2014) and 5126 (2020), allowing a select group of apartment-zoned properties to continue operating as de facto hotels under outdated and inconsistent zoning interpretations.

# This carve-out:

• Undermines the purpose and authority of the Apartment District, which was amended in 1989 (Ord. 1797) to serve long-term residential housing needs.

• Has contributed to the erosion of available housing for residents, displaced local families, and artificially inflated property values.

• Perpetuates inequality by preserving the financial advantage of a privileged investor class who are exempt from the very rules the rest of us must follow.

• Weakens Maui County's ability to respond to the housing crisis, climate vulnerability, and overtourism—especially after the L\_hain\_ fires.

# A SUSTAINABLE PATH FORWARD

There is no defensible reason for transient vacation rentals to continue operating in Apartment Districts. The Hotel District exists for tourism. The Apartment District exists for housing. That distinction must be preserved.

I urge this committee to amend Bill 9 to:

1. Explicitly repeal Ordinances 4167 and 5126 in their entirety.

2. Void all references to the Minatoya Opinion in County law or policy.

3. Sunset all transient vacation rental uses in the Apartment District by July 1, 2028, with no exceptions unless a valid permit under Chapter 19.65 exists.

4. State clearly that the County is not obligated to honor previously codified exemptions that contradict the purpose and language of the current zoning code.

# RESTORING BALANCE AND TRUST

This repeal is not about punishment. It is about restoring public trust, reclaiming our residential neighborhoods, and correcting decades of legal and planning drift that have favored speculative interests over community stability.

If the Council fails to repeal these exemptions, Bill 9 will have limited effect, leaving behind a loophole large enough to sink the broader goals of housing security, land use equity, and community resilience.

Let us not continue rewarding legal ambiguity. Let us draw a clear line for the future. The people of Maui deserve

no less.

Mahalo for your time and service.

Respectfully,

Calia Chung Makawao Resident

# Guest User

Location: Submitted At: 1:12pm 07-02-25

I urge the Committee to strengthen Bill 9 by including the necessary repeal language and ensuring that the Minatoya-based exceptions are lawfully sunset. Only then can we restore balance in our communities, reclaim housing for residents, and begin to resolve the affordability, displacement, and over-tourism crises threatening our island's future.

# **Guest User**

Location: Submitted At: 12:18pm 07-02-25 Oppose..email sent to council July 2 3035

# Guest User

Location: Submitted At: 11:52am 07-02-25

A Maui County Council member who owns a condo on the Minatoya List and is facing a vote on Bill 9—which could impact short-term rental (STR) rights—may be under scrutiny over whether they should recuse themselves due to a possible conflict of interest. However, there are legal and ethical arguments that such a member could use not to recuse themselves. Here's a structured breakdown of that argument:

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1. The Minatoya List Offers a Broad, Categorical Exemption

The Minatoya Opinion (2001) was a legal memo that interpreted Maui County Code to allow short-term rentals in certain condo complexes—by right, without the need for special permits—regardless of the individual owner's intent or use. The list includes over 100 condo properties that were zoned or historically used for short-term rental prior to the establishment of newer ordinances.

# Argument:

Ownership in a condo on the Minatoya List does not automatically equate to a conflict of interest, because the right to rent short-term is tied to the property type, not to the individual owner's business use. Many owners never operate STRs, and some live in the units full-time.

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2. No Direct Financial Impact Unique to the Council Member

According to Hawaii State Ethics Code (HRS § 84-14), a conflict of interest exists if a legislator takes official action that affects only them or a narrow class of individuals.

Argument:

If the bill impacts hundreds or thousands of condo owners across many complexes—especially those on the Minatoya List—then the impact is not "personal" or "special" to the council member. Their financial interest is not distinguishable from the broader class of affected owners.

-

# 3. Duty to Represent Constituents with Similar Interests

Council members are elected to represent constituents, many of whom may also own Minatoya List properties.

Argument:

Recusal would silence the voice of constituents who share similar concerns. The member is not voting to protect a unique personal interest, but to represent a class of residents with shared rights under current law.

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# 4. Precedent and Practice

Other council members in past STR-related votes have not recused themselves even when owning property affected by such legislation, especially when the impact is general.

Argument:

As long as the council member discloses their ownership, transparency is maintained, and they are following common legislative practice where owning property in a broadly affected zone does not trigger mandatory recusal.

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# 5. Legal Advice and Disclosure Satisfy Ethics Requirements

If the council member has disclosed ownership and sought or received clearance from the Board of Ethics or county attorney, that strengthens their position.

Argument:

With legal clearance, there is no violation of ethics code. Voting under these conditions upholds both transparency and duty to legislate.

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Summary Statement the Council Member Could Use:

"While I own a condo in a Minatoya List complex, that ownership places me among a large, general class of property owners similarly affected by this legislation. I have disclosed my ownership publicly, and my vote reflects the interests of my constituents and the broader policy goals of this council, not any personal gain."

#### **Guest User**

Location: Submitted At: 10:46am 07-02-25

County Council: Curious is there is a conflict of interest if any council members who may own property on the Minatoya list should recuse from voting on the bill?

# Guest User

Location: Submitted At: 6:17am 07-02-25

The UHERO warns that the economic impacts of this legislation are significant, including reduced GDP, diminished tax revenue, and fewer local employment opportunities. Specifically, visitor spending would plunge by

nearly \$900\_million annually, leading to the loss of about 1,900 jobs and a \$60\_million drop in property tax revenue each year.

# Fred Kelley-Kilby

Location: Submitted At: 5:51am 07-02-25

It appears that this issue arises every 12-13 years.

The precedence for allowing STR in these apartments has been set for over 40 years.

It was confirmed by by Richard Minatoya of County Counsel on July 30, 2001

# "BRIEF ANSWER:

It is our department's opinion that exemptions to this restriction are: (1) projects with building permits, special management area use permits, or planned development approval lawfully issued and valid on April 20, 1989; or (2) apartment units that were operating as transient vacation rentals on or before March 4, 1991."

If was further acknowledged and codified with Ordinance 4167 Bill No. 75 in 2014

"The purpose of this ordinance is to expressly restate the exceptions set forth in Section 11 and declare the intent of the Council in enacting Ordinance 1797 was originally, and is now, to exclude the requirement of long-term-residential occupancy from buildings or structures having, on or before April 20, 1989, lawfully issued and valid building permits, special management area use permits, or planned development approval."

Now to come and say that the County is taking away that codified and vested right, is the taking of property and in violation of the 5th and 14th Amendment of the US Constitution.

I ask that you kill this bill in order to save the County thousands of dollars in legal fees on legislation that to any reasonable person can see is clearly unconstitutional and destined to fall when challenged in the courts.

# Guest User

Location: Submitted At: 11:24pm 07-01-25

Corrections to Written Testimony Regarding Lahaina Strong Submission – June 25 HLU Committee Meeting The written testimony submitted by Lahaina Strong at the HLU Committee meeting on June 25 contains significant inaccuracies. Most notably, it claims that owner-occupancy rates in Minatoya condos have dropped by 40–60% over the past 10 years. This claim is completely false and is based on a misinterpretation of data from the Department of Commerce and Consumer Affairs (DCCA).

# Misinterpretation of Classification Data

The key error lies in the misunderstanding of Maui County's real property tax classifications. In 2020, Maui County changed its property tax classification system. Before this change, condominium units were categorized as either:

- \* Owner-Occupied
- \* Hotel/Resort
- \* Apartment

The "Apartment" classification included both long-term rentals and second homes. In fact, the majority of these units in Minatoya properties were used as second homes, not long-term rentals.

In 2020, Ordinance 5160 was passed, eliminating self-classification for condominium properties. As a result, all condo units in complexes where short-term rentals (STRs) were legally permitted were reclassified as TVR/STR (Transient Vacation Rental / Short-Term Rental), unless they qualified for an Owner-Occupied or Long-Term Rental exemption. Therefore, many units previously classified as "Apartment"—and used as second

homes—were automatically reclassified as TVR/STR, regardless of whether they were actually used as STRs. Lahaina Strong's testimony incorrectly treated these previously "Apartment"-classified second homes as "Owner-Occupied" units in 2015, then counted their reclassification in 2025 as a loss of owner-occupancy. This is inaccurate. These units were not owner-occupied in 2015; they were primarily second homes.

Example: Pacific Shores

The testimony uses Pacific Shores as an example, claiming a drop in owner-occupancy from 48% in 2015 to 9% in 2025, citing a loss of 61 units to STRs. However, real property tax records show:

\* In 2015, only 25% of units (34 of 136) were classified as Owner-Occupied.

\* In 2025, 25% were still in long-term use: 21 units Owner-Occupied, 13 as Long-Term Rentals.

Lahaina Strong appears to have mistakenly interpreted the 58 units classified as "Apartment" in 2015—used primarily as second homes—as owner-occupied, and falsely counted their reclassification as STRs as a loss.

This same pattern of misinterpretation applies across all Minatoya properties cited in Lahaina Strong's testimony. Historical Context and Misrepresentation of Residential Use

Another false claim in the testimony is that early DCCA documents prove the properties were intended solely for residential (i.e., long-term) use, excluding STRs. This interpretation is flawed.

Before 1981, neither Maui County nor the State of Hawaii restricted short-term rental use. Therefore, many condo construction documents from before that time did not need to specify rental durations. In 1981, Maui County formally defined "Transient Vacation Rentals" and required that such use be spelled out in condo CC&Rs for new developments or added via unanimous owner approval.

Thus, the absence of explicit STR language in pre-1981 documents does not imply an intention to exclude STR use.

Establishing Original Intent

To understand the intended use of Minatoya condos, the correct approach is to examine:

\* The CC&Rs (Covenants, Conditions, and Restrictions)

\* Original sales and marketing materials

Courts have repeatedly upheld that STR use is a form of residential use—not commercial or hotel use. Therefore, using the term "residential" in governing documents does not preclude STRs.

# Conclusion

Lahaina Strong's testimony is based on a fundamental misunderstanding of property tax classifications, misreads historical documents, and presents incorrect data. In truth:

\* Over 75% of Minatoya condo units have historically been used as second homes or for STR purposes.

\* Property records dating back to 1986 support this pattern, with thousands of units already used as STRs at that time.

\* The claims of a dramatic drop in owner-occupancy are inaccurate and misleading.

We urge the committee to rely on verified property records and accurate interpretation of legal classifications when evaluating the history and usage of these properties.

# **Guest User**

Location: Submitted At: 7:28pm 07-01-25

Listen to Stan Franco

# Guest User

Location: Submitted At: 5:40pm 07-01-25

I own a tourism based business on the west side that has been operating for around 8 years. I did a search of where my customers are staying in my booking system and about 30% of them report that they are staying in a short term rental. My business was devastated by the fire and is barely holding on. Many of the people who stay at vacation rentals are not able to afford hotel stays and if they still choose to come to Maui, they will spend their entire budget on hotels, thus spending less with small businesses.

If passed, Bill 9 will be followed up by protracted and expensive litigation. The county should avoid this and follow

models that can be seen in places like Austin, TX and Charlotte, NC when faced with a housing crisis. Instead of banning short term rentals or freezing rents, they increased the amount of affordable housing inventory and in the process created jobs and economic prosperity. There is lots of developable land that can be acquired through purchase or Eminent Domain to build new affordable housing with the amenities that the majority of the Bill 9 properties lack and at the same time avoid the issue of unaffordable HOA fees, which the majority of Bill 9 properties have.

Independent studies on Bill 9 all cite massive economic losses for both the people and the government of Maui. Further, most condo owners in affected units will either sell to richer mainlanders or keep the units for their personal use if they can afford it.

If Bill 9 passes, mine and many other tourism based businesses will surely go under. The economic fallout of this bill will only worsen the hardships we have endured due to the fires and it will make no positive impact on housing. Please do not ratify Bill 9.

# Guest User

Location: Submitted At: 3:50pm 07-01-25

Bill 9 affirms that housing is a right, not a speculative asset. It is a forward-thinking measure that will bring Maui closer to a just, livable, and community-centered future. I urge this Committee and the full Council to pass Bill 9 without delay and to continue advancing policies that prioritize the wellbeing of residents over unchecked commercial tourism.

Mahalo for your leadership and courage in facing this critical issue.

Respectfully submitted,

Guest User Location: Submitted At: 1:58pm 07-01-25 Aloha.

The University of Hawaii UHERO report concludes that phasing out these legal STR would cost:

-\$900 million in annual tourism revenue lost\_-

- -1,900 lost jobs this is nightmare for local workers\_, devastating families
- decrease GDP 4%\_

-\$75 million in annual tax revenue lost

I respectfully urged you to consider how this will kill tourism, eliminate our jobs, and destroy our businesses.

Mahalo

Guest User Location: Submitted At: 1:42pm 07-01-25 Aloha,

My name is Patricia, and I was born and raised here on Maui. My husband and I have worked hard our whole lives to support our family, and we depend on the jobs that short-term rentals provide. I clean condos that are rented on Airbnb, and my husband takes care of the landscaping for the same property. If you take away short-term rentals in apartment-zoned areas, we will both lose our jobs.

I know there's a lot of talk about these rentals hurting locals, but for us, they are the reason we can pay our rent, buy food, and take care of our keiki. Without these jobs, I don't know what we're going to do. There's already

barely any work for us. We're not the ones making big money off these rentals—we're just trying to survive, like so many other local families who depend on tourism.

If these owners can't rent their places short-term, they won't need housekeepers like me or landscapers like my husband. They'll shut down their units, and all of us who work for them will be left struggling. We don't have the luxury of just "finding something else." Where are we supposed to go? What jobs will replace the ones you're taking away from us?

I understand the need for affordable housing, but this isn't the way to fix the problem. Please don't make it even harder for local working families like mine. We need these jobs to survive.

Mahalo for listening, Patricia

# **Guest User**

Location: Submitted At: 1:39pm 07-01-25 This is what's going to happen:

- 1. Maui bans STRs.
- 2. Locals can't afford the empty condos.
- 3. Condos sit vacant, property values drop.
- 4. Mainlanders buy up cheap condos as 2nd homes, but don't rent them at all.
- 5. Thousands of costly lawsuits against Maui.
- 6. Tourism crashes, local business layoffs.
- 7. STR-related jobs lost, unemployment rises.
- 8. Tax revenue plummets (TAT, GET, property taxes).
- 9. Major budget cuts to essential services.
- 10. No housing gained, tourism economy crashes, jobs lost.

# **Guest User**

Location: Submitted At: 11:35am 07-01-25

Listen to Stan Franco

# **Guest User**

Location: Submitted At: 10:53am 07-01-25

Implement smart depopulation of speculative non-resident ownership by regulating ownership, taxation, and use.

#### **Guest User**

Location: Submitted At: 10:35am 07-01-25

Land use permissions are not permanent entitlements. They are conditional grants, subject to change as public needs evolve.

# Guest User

Location: Submitted At: 10:18am 07-01-25

Implement smart depopulation of speculative non-resident ownership by regulating ownership, taxation, and use.

# **Guest User**

Location: Submitted At: 10:14am 07-01-25 Bill 9 is a disaster, those housing units are not suitable for local families, phasing them out is only for the benefit of big hotels, at the same time, sinking the economy of Maui, 7000 units disappearing means a lot of tourists will not be coming back. The correct thing to do is helping small business, take back water resource and build housing units that's for families. not the other way round. you are not helping, you are destroying Maui.

# **Guest User**

#### Location: Submitted At: 7:10pm 06-30-25

I am a full time resident at Papakea and have lived here since 2012. In 2014 the board signed a contract with Columbia Hospitality a Seattle Washington hotel management company. Before this time Aston was the managing company. Aston also had a condo rental department and rented the registration counter at which they checked in their visitors. They also checked in any other visitor for a \$40 charge. In 2014 the board initiated a revision to our deceleration, changing the name of the registration counter to front desk. For reason for the change was " describe it as it is". They now said this gave them the authority to hire a front desk crew putting the cost in our budget and raising our budget paid by all on common interest basis by about a million dollars. This raised our association dues. To combat this this the board instituted a facility fee to be paid by anyone staying in a unit, owners, residents included. After a long legal battle costing both side hundreds of thousand dollars the board agreed to just charge guest. Now a year later they have dropped the facilities fee and put the entire cost of operating the front desk on all owners. All employees at Papakea are hired and paid by Columbia and the funds are taken out of our account. Columbia has full control and can hire as many as they want. In addition to all the other staff Columbia has full control. Often there are three or four people just standing behind the front desk doing nothing. I as a resident have no need for a front desk and do not want to pay someone to check in my absentee owners guests. I haven't seen the present contract with Columbia but the last one also gave them the authority to hire a cleaning company, electrician and plumber. Our board has turned Papakea into a hotel. This is not a hotel. I have ownership of my property and am taxed as a full time resident of Hawaii. While I do not object other owners renting their unit to others I do object to paying for their operation of their rental program. There are seven full time residents and I think about 15 owners that do not rent their unit to anyone when they are not here. Again the board has turned this place into a hotel and make it difficult to live here.

Ed Quiring G305

# Lore Menin

Location: Submitted At: 1:12pm 06-30-25

I. Opening & Legal Foundation

Aloha Chair Kama and Councilmembers,

My name is Lore Menin, a Kihei Resident, STVR owner and a frequent passenger on the Maui Bus. I write in support of Bill 9, which seeks to restore apartment-zoned units to lawful long term residences and clamp down on the illegal proliferation of short term vacation rentals (STVRs). This is about enforcing our zoning code, responding to legal emergencies, and protecting the very essence of home in Maui County, NOT SOLVING the HOUSING CRISIS.

Bill 9 addresses a definitional loophole—commonly known as the "Minatoya Exemption"—that, despite lacking statutory authority, has been used to justify tourism style use in residential zones. It's past time to correct that error.

II. The County's History of Enforcement Failures

Education without accountability is no policy. Despite clear code that prohibits transient uses in apartment districts, Maui County has:

Issued minimal fines that are rarely collected;

- Continued to permit STVR operators to remain active indefinitely;
- Maintained no centralized public registry of registered or non compliant rentals;
- Failed to follow through with administrative or criminal enforcement.

This pattern of neglect has no place in good governance. Bill 9 would enable enforcement by establishing clear timelines, requiring registration, and enabling consistent fine collection—tasks the County has repeatedly failed to accomplish.

III. Emergency Conditions: Housing & Homelessness

Governor Green's Housing Emergency Proclamation (2023–2024) and Homelessness Emergency Proclamation (2024–2025) declare that Maui is facing a crisis in residential displacement and unsheltered individuals. Yet, apartment-zoned homes remain off-limits to residents—converted instead into transient rentals. Bill 9 is not only lawful; it is imperative policy given the State's formal declarations and the fact that hundreds of Pacific families remain unhoused or overcrowded.

IV. Wildfire & Public Safety: A Legal Obligation

In the aftermath of the L\_hain\_ disaster, fire risk is a legally recognized public hazard. Apartment-zoned areas with high STVR density:

• Impede evacuation routes during emergencies;

• Increase vehicle congestion and parking demand;

• Delay emergency response and place transient occupants at higher risk.

Bill 9 functions as a form of hazard mitigation—directed, preventive policy based on known fire vulnerabilities. Failure to act may expose the County to legal liability for negligence under Hawai\_i law.

V. Balanced Economics: Addressing Fiscal Concerns

Critics cite UHERO's estimate of up to \$60 million in lost gross revenue. But such forecasts omit key realities: • County revenue from transient accommodation tax (TAT) can be partially offset through higher fees and reclassification of resort zoned STVRs;

• Shifting units back to long term use restores GET (General Excise Tax) income and workforce spending;

• Avoided emergency response and displacement costs—which often total in hundreds of millions—are not captured in initial projections.

Bill 9 offers responsible financial recalibration, not recklessness.

# VI. TO EACH Councilmember

Each Councilmember's stance signals to constituents and litigants alike.

• Alice Lee (Wailuku) – Known for advocating zoning integrity and wildfire mitigation. Your leadership sets legal precedent; a vote for Bill 9 reinforces your consistency and oversight.

• Chair Yuki Lei Sugimura (Upcountry) – Your district's emergency readiness and rural water concerns necessitate clear action. A yes vote reflects a command of meaningful disaster law.

• CM Tasha Kama (Kahului) – You are positioned to recalibrate Kahului's housing affordability. Bill\_9 offers legal and moral clarity—your support would validate that commitment.

• CM Tom Cook (South Maui) – Your stress on the economic impact of Bill 9 is noted, but the legal ramifications of inaction on fire risk demand balance. A yes would show leadership in managing both economic and legal liabilities.

• CM Tamara Paltin (West Maui) – Having been reverberated by L\_hain\_'s emergency fallout, you have a clear legal precedent to advance Bill 9.

• CM Gabe Johnson (L\_na\_i) – Your previous civic leadership in supporting housing aligns seamlessly with the legal clarity Bill\_9 offers. Thank you for your demonstrated consistency.

• CM Keani Rawlins Fernandez (Moloka'i) – Your support holds weight in affirming that Bill 9 enshrines legal protections for rural residents and cultural justice under land-use laws.

• CM Shane Sinenci (East Maui) – Your role in sustainable planning demands a yes; this bill upholds legal obligations to preserve rural housing stock and disaster readiness.

• CM Nohe U\_u Hodgins (Makawao Ha'ik\_ P\_'ia) – Your emerging support is welcome—your rural district needs legal boundaries to prevent fire danger and over tourism. A yes strengthens your legal standing.

VII. Conclusion & Recommended Motion

I respectfully move:

"That the Committee recommend adoption of Bill 9, including a reasonable amortization schedule, enhanced enforcement mechanisms, and forward the bill to full Council for a clean vote."

Bill 9 is a legally mandatory, morally clear, and strategically essential measure. It aligns with State emergency proclamations, strengthens County code enforcement, mitigates disaster risk, and restores housing access to residents.

# VIII. Final Declaration

If we allow apartment-zoned units to remain resorts-by-default, we systemically prioritize profit over people and

tourism over community. By passing Bill 9, the Council asserts that housing is more precious than vacation revenue, that emergency law matters, and that Maui is a home—not a playground. Mahalo nui loa for your service. Lore Menin

# Edward Codelia

Location: Submitted At: 10:36pm 06-29-25 written testimony in support of bill 9 To: Maui County Housing & Land Use Committee From: Edward Codelia, Maui Resident, Licensed Realtor Re: Testimony Supporting Passage of Bill 9 and Advancement to Full Council

Aloha Chair Kama, and members of the Housing & Land Use Committee:

I am happy to submit this testimony in strong, unequivocal support of Bill 9. This legislation is not merely about vacation rentals — it is about reclaiming Maui's housing supply, restoring the intended purpose of apartment-zoned districts, and steering our island toward a more sustainable and equitable future.

As stewards of this island in the middle of the Pacific, we cannot afford to treat land like a speculative commodity. We must govern with clarity, courage, and responsibility. Bill 9 gives Maui County the opportunity to restore integrity to its land use system and reaffirm its kuleana to house its people — not its tourists.

# I. The Legal and Historical Foundation: Undoing the Minatoya Loophole

In the 1990s and early 2000s, the County of Maui allowed a de facto practice to emerge: granting permissions for short-term vacation rentals (STVRs) in apartment-zoned (A-1 and A-2) districts — areas never originally intended for resort use. In 2001, this became formalized under what is now known as the **Minatoya Exemption** — an administrative compromise intended to address past permitting irregularities, not to authorize a future STVR industry in residential zones.

Over two decades, that exemption metastasized into a loophole, distorting the entire purpose of zoning. What should have remained affordable, workforce, or local long-term housing was instead sold off to out-of-state investors and operated as resort accommodations, creating a shadow industry with devastating consequences.

It is essential to understand: **these apartment zones were never zoned for hotels**, and STVRs only exist there because the County allowed an exception. The County now has the authority — and the responsibility — to close that loophole and restore lawful zoning practices. Doing so is not a "taking." It is a **correction**.

# II. We Are in a Housing Emergency

The Governor of Hawai'i, through Emergency Proclamation(s) on Housing, has formally declared what many Maui families have known for years: **Hawai'i does not have enough housing for its own people.** 

After the tragic and economically catastrophic Lāhainā fire in August 2023, which destroyed over 2,000 housing units and displaced thousands, this shortage became undeniable. Yet even after this tragedy, hundreds of apartment units remained unavailable — locked up in the short-term rental market, prioritized for visitors while fire survivors languished in hotels and transitional shelters.

If those units had been preserved for local housing — as their zoning originally intended — **hundreds of Lāhainā families could have remained on-island, in dignity**. The economic loss from the fires exceeds \$7 billion. In contrast, the projected revenue loss from Bill 9's implementation is marginal, temporary, and fixable — and **nowhere near the scale of damage caused by climate-exacerbated disaster and overtourism.** 

We cannot prevent every wildfire, but we can remove the policies that have overpopulated Maui's housing stock with short-term tourists instead of year-round residents.

# III. Public Health, Infrastructure, and Environmental Risk

Maui now faces cascading public health and safety concerns:

- **Overtourism has saturated roads**, slowed emergency response, and increased vehicular pollution.
- **Population density in the wrong areas** has outpaced the capacity of our water, wastewater, and fire mitigation infrastructure.
- The senior population among the fastest-growing in the state faces housing insecurity, health neglect, and multi-generational crowding.

STVRs contribute to these problems by removing long-term rental stock, driving up home values, and incentivizing absentee ownership. Every apartment zoned A-1 or A-2 that operates as a STVR is **one less unit available to a nurse, teacher, kūpuna, or single parent**.

Furthermore, the risk of **wildfire devastation increases** when communities are filled with shortterm occupants unfamiliar with emergency evacuation protocols, and whose presence creates traffic bottlenecks and strains response systems.

# IV. The Economic Truth: We Can Afford to Do the Right Thing

Opponents of Bill 9 claim that eliminating STVRs in apartment zones will cost the County millions. Yet the data tells a more nuanced story:

- The **UHERO report** commissioned by pro-STVR interests is based on narrow assumptions that prioritize tourist dollars over community wellbeing.
- Studies routinely show that **resident-focused housing** produces more stable and diversified local economies, not less.
- Any **lost revenue** can be offset by:
  - Special assessments on resort areas (Kāʿanapali, Kīhei, Kapalua),
  - Commercial tax reclassification of high-impact tourism properties,
  - Environmental trust fees, and
  - Speculation transfer taxes on former STVR units.

**The cost of doing nothing is far greater.** Bill 9 is a sound financial decision rooted in long-term forward thinking.

# V. The False Outcry of "85% Opposition"

Recent emails from organized real estate professionals claim that "85% of testimony opposes Bill 9." That number is misleading:

- Many testifiers are **not full-time residents** or **registered voters**.
- Dozens of testimonies were **copy-paste templates** circulated by AOAO boards and property managers.
- Public policymaking must reflect **constitutional principles and the common good**, not a popularity contest orchestrated by economic stakeholders.

The Council is elected not to serve the loudest lobby — but to govern wisely for the long-term health of Maui's people, land, and future.

# VI. Reject the Ballot Trap — Vote This Bill Through

Some opponents suggest sending Bill 9 to a ballot initiative. This would be a political **Hail Mary** designed to delay action, invite outside spending from real estate PACs, and turn land-use regulation into a public relations war.

We don't need a ballot. We need courage.

The Council has the authority and the obligation to act now. Waiting for a vote opens the door to manipulation, misinformation, and further deterioration of our housing supply, and this community.

# **VII. Final Recommendation**

For all the reasons above — legal, historical, environmental, ethical, and fiscal — I urge you to:

- 1. Approve Bill 9 in full as recommended by the Planning Commission.
- 2. Send the legislation to the full Council for swift passage.
- 3. Defend the bill using the County's police power and home rule authority.
- 4. Pair implementation with a robust plan for housing transition and enforcement.

# **Conclusion: Choose the Island, Choose the People**

Every island must make a choice: between becoming a playground for the world or a home for its people.

The commodification of housing has gone too far. We cannot allow every unit, every street, and every apartment complex to become a resort-by-default. Maui is not for sale.

Bill 9 does not eliminate all tourism — it simply ensures that **residential zoning means what it says**, and that Maui's people come first.

Let this Committee be remembered not for surrendering to pressure, but for standing in defense of home, land, and future generations.

# Pass Bill 9. Send it to Council. Let Maui live.

Mahalo.

Edward Codelia, Maui Resident, Licensed Realtor