

From: Ana L. Lillis <Ana.Lillis@co.maui.hi.us>
Sent: Wednesday, July 2, 2025 7:06 AM
To: Alice L. Lee
Cc: Mona A. Perry; Katie L. Blystone; joy.paredes@co.maui.hi.us; Carolyn E. Cortez; Gregory J. Pfost; Michele N. McLean
Subject: RE: Letter from Council Chair Lee

Aloha Chair Lee,

Please see below. Please advise if a formal transmittal to HLU is preferred.

1. When was the Short-Term Occupancy list created, and who created it? (Your letter notes that your Department did not create it.)

The list originated approximately in 2015 from a request of the Realtor's Association of Maui (RAM) providing an inquiry on a list of properties that was verified by the Department. RAM prepared and submitted an initial list of properties to the Department of which the Department confirmed and modified as needed to ensure its accuracy. Maui County Code 19.12.020(G)(5) requires the Department to maintain the current list that is posted on our website.

2. The disclaimer at the foot of each page of the list says that it is "subject to error" and that confirmation should be obtained by your Department to confirm if TVR use is allowed on any property. Your letter also notes that your Department updates the list "from time to time." If your Department is not able to verify the accuracy of the entire list – meaning that the Council and Administration cannot be certain which properties are affected by Bill 9 (2025) – do you have any suggestions how we can reach a better understanding of the bill's impact?

As discussed in the answer to question 1 above, MCC Section 19.12.020.G.5 requires the Planning Director and Director of Finance to maintain a publicly available list of all transient vacation rental (TVR) units allowed within the Apartment Districts. That Section also indicates that the list is to be kept to the best of the departments' knowledge at the time it is posted, that the list is informational only, and that it is not a confirmation of zoning or allowable uses. Hence, this is the reason for the list's disclaimer that it does not grant any entitlement that is not allowed by zoning or other provision of the MCC, and it is subject to error.

Nevertheless, the list does represent the Department's current understanding of all those Apartment District properties that are allowed to be used for TVR use per the requirements of the MCC. The list represents a total of 7,167 units. The Department has verified with the Department of Finance that 6,208 units on the list are currently operating within the tax classification of TRV-STRH, while the remaining units are operating within the tax classifications of Time Share, Non-Owner-Occupied, Long-Term Rental, Owner-Occupied, Commercialized Residential, Hotel/Resort, or Commercial. In summary, the Department believes that the current list represents to the best of its knowledge the current projects that are operating TVR within the Apartment Districts and thus can be used to estimate the bill's impact.

Further, as noted in the Department's May 22, 2025 response letter, in addition to the units on the list, the Department, through information provided by the Department of Finance, is aware of 46 additional condominium projects representing 1,770 units that are in the Apartment District that were built prior to 1990, which are not on the list. As noted in our May 22nd response, these units could operate TVR if they meet all the requirements of MCC Section 19.12.020.G. Further, according to the Department of Finance, these units have a tax classification of "Non-Owner-Occupied" and thus it is assumed that they are not currently operating TVR use and hence there

would not be a need to add them to the list. While the Department believes that the current list provides enough information to sufficiently assess the potential impacts of the bill, the only suggestion that the Department could offer is to proactively investigate the 1,770 units to determine if they meet all the requirements of Section 19.12.020.G and place them on the list. If any of these units qualified, then the only change would be a change in tax classification from their current Non-Owner-Occupied status to TVR-STRH; the Department does not believe that their addition to the list would significantly affect any estimate of the bill's impact.

3. It appears that the County still has agreements with Airbnb and Expedia to ensure that only permitted TVRs are advertised on their platforms.

- a. Has each platform consistently provided monthly reports and removed flagged ads, as the agreements require?

Yes, the platforms provide access to their monthly reports and we are able to send them flagged ads for removal when identified.

- b. Since both agreements allow for the platforms to withdraw if the County amends its TVR rules or laws to be more restrictive, has either platform indicated that they intend to withdraw from their agreement if Bill 9 (2025) is enacted?

No, they have not indicated intention to withdraw from their agreements.

4. Who is the current contractor assisting with reviewing online ads to find unpermitted or illegal TVRs, and how long does the contract run?

GovOS was the most recent contractor and the contract ended October 2024.

- a. How many ads for unpermitted or illegal TVRs has the contractor found over the past year?

Approximately 30.

5. Over the past year, how many Notices of Warning and how many Notices of Violation for unpermitted or illegal TVR advertising or operation has your Department issued?

Since the start of 2024 the Department has issued 18 NOW's and 1 NOV for unpermitted/ unpermitted TVR use.

6. How many unpermitted or illegal TVRs do you estimate are in operation?

It is difficult to estimate the amount at any given time due to holiday periods, special events or economic factors. Less than 30 seems to be a reasonable estimate given the results of our vendor.

Thank you,
Ana



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Deputy Director

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From: Alice L. Lee <Alice.Lee@mauicounty.us>

Sent: Monday, June 23, 2025 3:24 PM

To: Ana L. Lillis <Ana.Lillis@co.maui.hi.us>; Michele N. McLean <Michele.McLean@mauicounty.us>; Katie L. Blystone <Kate.Blystone@co.maui.hi.us>