

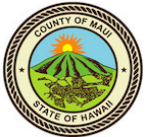
HLU Committee

From: Maui_County Council_mailbox
Sent: Tuesday, April 7, 2026 10:48 AM
To: HLU Committee
Subject: FW: County Resolution 25-230 re H3 & H4 Zoning (REVISED COMMUNICATION TYPO CORRECTED))
Attachments: Hoyochi Nikko - Letter to Mayor and Council re TVR Status.pdf

Aloha HLU Committee,

Forwarding the below email and attachment from the county.council@mauicounty.us inbox for your reference.

Mahalo,



Support Section

County of Maui | Office of Council Services
Email: county.council@mauicounty.us
Phone: (808) 270-7838 | Fax: (808) 270-7686

From: Peter Horovitz <pah@mhmaui.com>
Sent: Monday, March 30, 2026 5:13 PM
To: Maui_County Council_mailbox <county.council@mauicounty.us>
Cc: Michele N. McLean <Michele.McLean@mauicounty.us>
Subject: Re: County Resolution 25-230 re H3 & H4 Zoning (REVISED COMMUNICATION TYPO CORRECTED))

Here is the attachment.

Peter A. Horovitz

Horovitz Tilley LLLC

[2073 Wells Street, Suite 101](#)

[Wailuku, Hawaii 96793](#)

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Email: pah@mhmaui.com

Website: htmauilaw.com

From: Peter Horovitz <pah@mhmaui.com>
Sent: Monday, March 30, 2026 12:56 PM
To: county.council@mauicounty.us <county.council@mauicounty.us>
Cc: Michele N. McLean <michele.mclean@mauicounty.us>
Subject: Re: County Resolution 25-230 re H3 & H4 Zoning (REVISED COMMUNICATION TYPO CORRECTED))

Good morning (,

As the Council and departments within the County deliberate on Resolution 25-230, we respectfully ask that the condominium projects listed below that were not included in Exhibit 2 to the TIG report commissioned as part of Bill 9/Ordinance 5909 (the "TIG Report") be considered for inclusion in the H3 or H4 zoning districts if created and populated. I have provided a brief explanation as to why each project meets the criteria for inclusion as set forth in the TIG report.

The projects are:

1. Puunoa Beach Estates TMK (2) 4-5-004-002 (and all CPR Units)
2. Noelani Resort TMK (2) 4-3-009-002 (and all CPR Units)
3. The Ridge TMK (2) 4-2-001-032 (and all CPR Units)
4. Kapalua Golf Villas TMK (2) 4-2-001-028 (and all CPR Units)
5. Hoyochi Nikko TMK (2) 4-3-008-006 (and all CPR units)

The justifications for each are as follows:

1. Puunoa Beach Estates

- a. Properties with market values not attainable by most Maui County residents would be appropriate to continue TVR uses.
 - i. Response: The Noelani monthly HOA dues range from \$3,163 to \$4,344 per month. Most owners also have mortgages and County property tax assessments to pay for. County property tax assessments for 2026 range from \$3,259,900 to \$5,092,800. Converting Puunoa to Apartment use only would not create affordable housing supply.
- b. Properties where any portion of the property is located in the full SLR-XA or would already be impacted by sea-level rise would not produce long-term housing options for residents and would therefore be appropriate to continue TVR uses.
 - i. Response: The Puunoa property at 45 Kai Pali Place is located in mostly located in within the sea-level rise of 1.1 to 3.2 feet and would not be an appropriate long-term housing option for residents and should therefore be an appropriate option to continue TVR use.

1.

2. Noelani Resort:

- a. Properties with market values not attainable by most Maui County residents would be appropriate to continue TVR uses.
 - i. Noelani Response: The Noelani monthly HOA dues range as high as \$3,318 per month. Most owners also have mortgages and County property tax assessments to pay for. County property tax assessments for 2025 (studios through 3BRs) ranged from \$710K for small studios to \$2.05M for 3 bedroom units confirming that converting Noelani from Apartment zoning would not create affordable housing supply.
- b. Properties where any portion of the property is located in the full SLR-XA or would already be impacted by sea-level rise would not produce long-term housing options for residents and would therefore be appropriate to continue TVR uses.

- i. Noelani Response: The Noelani property at 4095 Lower Honoapiilani Rd. is located in the full SLR-XA by a sea-level rise of 3.2 feet and would not be an appropriate long-term housing option for residents and should therefore be an appropriate option to continue TVR use.

- 3. **The Ridge** two bedroom units sales price averaged \$1.8 million in 2025. Prices are actually rebounding despite efforts to depreciate, and current (March 2026) listings are as follows:
 - a. 3 bed 3 bath \$2,950,000
 - b. 3 bed 3 bath \$2,795,000
 - c. 2 bed, 3 bath \$2,199,000
 - d. 2 bed, 3 bath \$1,980,000
 - e. 2 bed, 3 bath \$1,945,000
 - f. 1 bed, 2 bath \$1,545,000
 - g. 1 bed, 2 bath \$1,350,000
 - h. 1 bed, 2 baths \$1,250,000
 - i. Assuming that housing is needed for families, then only two bedroom or three bedroom units are practical and relevant. When one includes AOAO fees (\$30,000 annually), mortgage, taxes, utilities, maintenance, etc., analysis indicates that a purchasing individual would have to be earning well over \$400,000 a year to purchase and live at The Ridge. Again, this is rationally why local families have never purchased homes here. As such, this financial consideration should be reason enough to immediately classify The Ridge into H3 / H4 zoning.

- 4. **Kapalua Golf Villas** Same response as The Ridge above.

- 5. **Hoyochi Nikko** See attached communication to Mayor and Council dated November 28, 2025

We would be happy to provide any further information the Council may need as it moves forward with this impactful legislation.



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AOAO Hoyochi Nikko
3901 Lower Honoapiilani Road, Lahaina, HI 96761

November 28, 2025

Mayor Bissen & Members of Maui County Council

Re: AOAO Hoyochi Nikko Request to be exempted from Bill 9's restriction on TVR use

Dear Mayor and Council members:

This letter is submitted on behalf of the owners of condominium apartments at Hoyochi Nikko and the Association of Apartment Owners at Hoyochi Nikko.

We believe that Hoyochi Nikko should have been included in Exhibit 2 to the October 14, 2025 Temporary Investigative Group ("TIG") Report as were our next-door neighbor properties Kuleana and Hale Mahina. Hoyochi Nikko appears to meet two of the criteria set out in the TIG Report for buildings to continue to operate as a TVR building.

We respectfully request your help in having Hoyochi Nikko be added to the condominiums contemplated in Bill 9 to allow transient vacation rental use to continue at the building, using whatever appropriate mechanism Maui County provides.

Background

Hoyochi Nikko is an 18 unit condominium oceanfront property located at 3901 Lower Honoapiilani Road in Mahinahina, Honokowai (Lahaina).

Although zoned as "apartments", our building was intended, from the beginning, for Transient Vacation Rental ("TVR") use¹. Its use for TVRs has never removed housing stock for Maui residents. Hoyochi Nikko has operated as a TVR resort since it was built in 1973,² just like our next door neighbours Kuleana and Hale Mahina, that were built within a few years of us and were included in Exhibit 2 of the TIG report to continue to operate as TVR buildings.

¹ Paragraph 8 of the Declaration of Horizontal Property regime for Hoyochi Nikko registered June 8, 1973 (copy on record with the Bureau of Conveyances) provides that "apartments may be leased or rented from time to time to transients."

² We have a current owner who knows about the TVR use dating back to 1973. His parents bought unit 103 at Hoyochi Nikko before it was built and he has visited here since that time. Over that time, he has always seen vacationing guests in the building. He has been a unit owner since 2010.

As mentioned, Hoyochi Nikko meets two of the exclusion criteria set out on page 10 of the TIG Report to be used to decide whether a building has a path to continue TVR use:

1. A portion of our condominium property is located in the full SLR-XA and is, therefore, appropriate to continue TVR uses.
2. The market values of the condominium units in our building are not attainable by most Maui County residents, and are, therefore, appropriate to continue TVR uses.

1. The property is located in the full SLR-XA Flood Zone

On page 10 of the TIG report, it states:

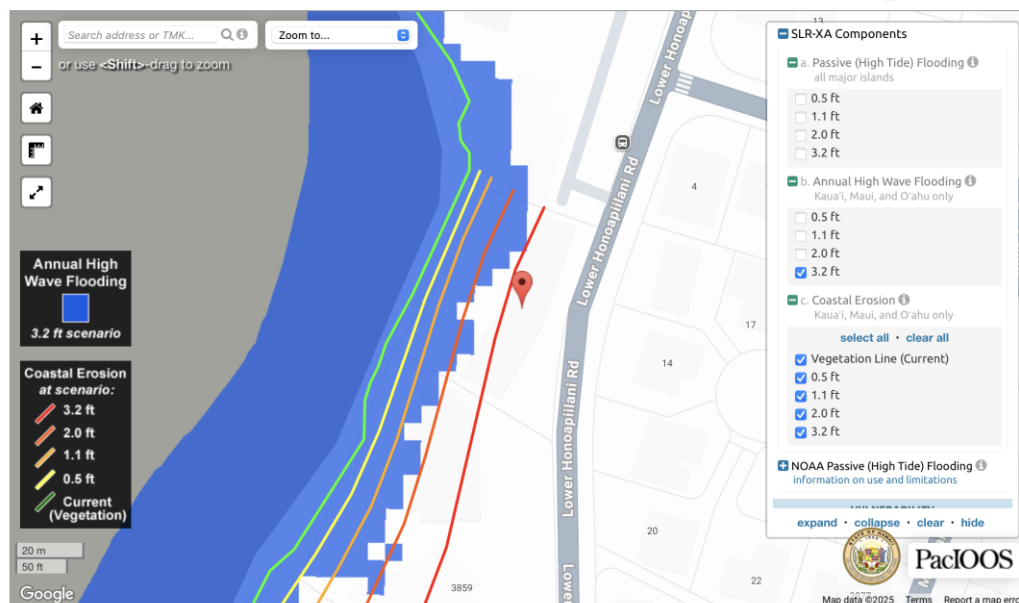
Properties where any portion of the property is located in the full SLR-XA or would already be impacted by sea-level rise would not produce long-term housing options for residents and would therefore be appropriate to continue TVR uses.

As shown on the map below, about half of the Hoyochi Nikko property falls inside the mapped SLR-XA extent for the 3.2-foot Annual High Wave Flooding area (the red flag pinpoints Hoyochi Nikko). Thus, the Hoyochi Nikko property appears to meet the above criteria and “*would not produce long-term housing options for residents and would therefore be appropriate to continue TVR uses.*”

Sea Level Rise : State of Hawai'i Sea Level Rise Viewer

An Interactive Mapping Tool in Support of the State of Hawai'i Sea Level Rise Vulnerability and Adaptation Report

[view full-screen map](#)



Please note that Hoyochi Nikko is in the same flood zones as our immediate neighbour to the south, Hale Mahina, which **was** included in Exhibit 2 and is proposed to be permitted to continue as a TVR building.

2. Not attainable for most Maui residents according to the UHERO report

The market values of units in the building are higher than what would generally be attainable by most Maui residents, one of the criteria set out at page 10 of the TIG Report:

Properties with market values not attainable by most Maui County residents would be appropriate to continue TVR uses.

The phrase “attainable by most Maui County residents” likely refers to a unit being affordable for at least half of the area residents. That is, someone with the median area income could afford living there. Units at Hoyochi Nikko most recently sold for the following amounts³:

Date	Unit #	Size (Sq.Ft)	Bed/Bath	Sale Price	\$/sq.ft.	Zillow - Low Estimated Sales Value as of 11/26/2025
February 15, 2023	208	679	1/1	\$1,075,000	\$1,583	\$843,000
June 2, 2023	102	611	1/1	\$989,000	\$1,618	\$721,000

These values are substantially more than the 2024 “Affordable Sales Price Guidelines” for 1 bedroom homes of \$332,910 for median income families.⁴ Thus, they are properties “with market values not attainable by most Maui residents and would be appropriate to continue TVR uses.”

Furthermore, the average monthly maintenance and utility costs for each unit in the building in 2025 is \$1,985. Assuming a mortgage of \$500,000, the monthly cost of a 30 year mortgage at 6.0-6.1% is about \$3,000 per month and homeowners insurance is about \$125 per month. If the unit were classified as “Owner-occupied”, for property tax purposes, the average amount would be about \$135 per month. This set of expenses results in the cost to own an average unit of about \$5,245 per month. This is well above the Affordable Rent Guidelines set by the Housing Division of the County of Maui [For 100% of Median: \$2,525/mo⁵] and, therefore, is more than would be attainable for a local median income owner.

In addition, over the last few years, owners of units at Hoyochi Nikko have been faced with significant special assessments to pay for unexpected expenses due to the age of the building (drainpipe lining due to rusted pipes, concrete spalling repair work, and replacement of a 50 year old concrete tile roof). Such assessment expenses will likely continue and would make the property just that much more potentially unaffordable for median income families.

³ These prices were taken from zillow.com and verified by our owners.

⁴ <https://www.mauicounty.gov/DocumentCenter/View/146487/2024-30-Workforce-Housing---Affordable-Sales-Guidelines>

⁵ <https://dbedt.hawaii.gov/hhfdc/files/2025/05/Maui-County-2025.pdf?>, p. 2.

So, in using public Maui County, State of Hawaii and UHERO data, the units at Hoyochi Nikko are not attainable by most Maui residents for long-term housing.

Conclusion

For the reasons stated above, we respectfully ask for your help in having Hoyochi Nikko be added to the condominiums contemplated in Bill 9 to be able to allow transient vacation rental use to continue at the building, using whatever appropriate mechanism Maui County provides.

In sum, we ask that Bill 9 not be passed until there is a fair and reasonable process in place for condominium apartments like ours that meet appropriate criteria, like was set out in the TIG Report, to apply for transition to a new Hotel zoning. We are interested and open to further discussion regarding a process to allow continued transient vacation rentals at Hoyochi Nikko and/or a revised transition process to new hotel zoning which would allow transient vacation rentals.

On behalf of the AOA Hoyochi Nikko we thank you for your consideration. To that end, if council members and/or staff from the mayor's office would like to see the building or discuss any of this further, we would be more than happy to do that with you. Just let us know.

Mahalo,



Walt Bell

AOAO Hoyochi Nikko Board Chairperson

Email: ComputerConsultation@hotmail.com

Cell: (503) 888-7649