HLU Committee

From: County Clerk
Sent: Monday, January 5, 2026 9:49 AM
To: HLU Committee
Subject: FW: HLU Committee Meeting 1.5.26
Attachments: Bill 9 2026.pdf

From: info@mauirealestate411.com <info@mauirealestate411.com>
Sent: Friday, January 2, 2026 7:47 PM
To: County Clerk <County.Clerk@mauicounty.us>; county.clerk@mauicounty.gov
Subject: HLU Committee Meeting 1.5.26

Aloha

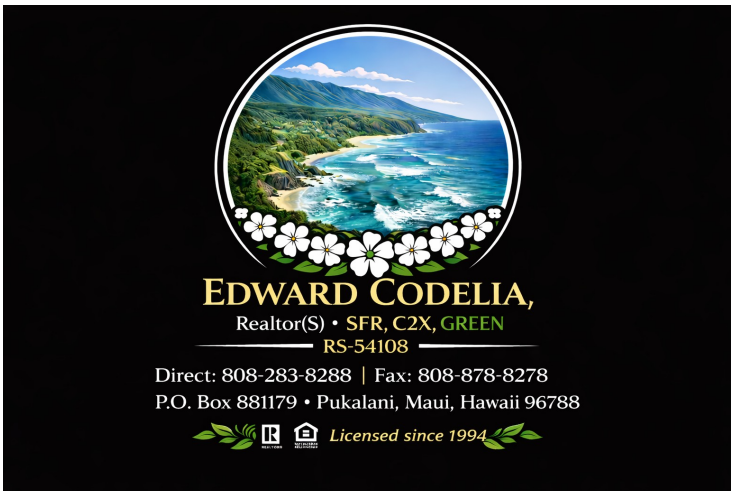
Please accept the attached written testimony for inclusion in the official record of the Housing and Land Use Committee meeting scheduled for January 5, 2026.

The testimony pertains to **Agenda Item HLU-4(1)** regarding the Temporary Investigative Group on Policies and Procedures for Transient Vacation Rental Uses in the Apartment Districts, Resolution 25-230, and the proposed establishment of the H-3 and H-4 Hotel Districts.

Kindly confirm receipt and ensure that the attached testimony is distributed to the Chair and Members of the Housing and Land Use Committee and entered into the record for this agenda item.

Mahalo for your assistance.

Edward Codelia



Written Testimony – Housing and Land Use Committee
January 5, 2026 – HLU-4(1)

Aloha Committee Chair, and Members, please accept this as written testimony regarding the Housing and Land Use Committee agenda item entitled **"Temporary Investigative Group on Policies and Procedures for Transient Vacation Rental Uses in the Apartment Districts; Discussion on Resolution 25-230, Referring to the Planning Commissions a Proposed Bill to Establish the H-3 and H-4 Hotel Districts (HLU-4(1)),"** Bill 9, and the litigation initiated against the County of Maui by certain community members who assert a strong commitment to Maui and its people.

The lawsuits challenging Bill 9 are not evidence that the County acted unlawfully. Rather, they reflect a long-standing reality that the County tolerated land uses inconsistent with its zoning code for decades and is now undertaking a corrective course. Title 19 of the Maui County Code has always drawn a clear distinction: **Apartment Districts under Chapter 19.12 are residential in purpose, while Hotel Districts under Chapter 19.14 are where transient uses are affirmatively permitted.** Short-term rental activity in A-1 and A-2 districts did not persist because such use was permitted under the zoning code, but because the County chose not to enforce its own zoning distinctions and instead relied on administrative mechanisms, most notably the Minatoya List. While that tolerance created reliance interests, it did not amend the zoning code, rezone land, or convert residential districts into hotel districts. Bill 9 represents a lawful, phased effort to correct that long-standing governance failure without abrupt or punitive disruption.

The current discussion regarding the establishment of H-3 and H-4 hotel districts carries a serious risk of repeating the same mistake under a different framework. Creating so-called "like-for-like" hotel districts that mirror A-1 and A-2 zoning, absent parcel-specific rezoning findings, alignment with adopted community plans, housing impact analysis, and clear legislative intent, does not resolve the underlying problem—it recreates it. Functional exemptions, selective carve-outs, or rezoning driven primarily by litigation pressure undermine both the purpose of Chapter 19.12 and the County's legal position. If the County's position in court is that transient use in apartment districts was never a vested right, it cannot simultaneously advance policies that effectively treat those same districts as hotels without acknowledging that it is reversing its own stated housing policy.

The lawsuits themselves underscore this point. The litigants are not asserting that the zoning code ever guaranteed hotel use in apartment districts; rather, they assert economic reliance based on County conduct. Many operated vacation rental businesses in residentially zoned properties, paid GET and TAT as commercial operators, marketed globally, and employed local labor—while extracting value from housing stock during a prolonged housing crisis. This is not a moral judgment; it is a factual description. Payment of taxes and employment of workers do not transform residential zoning into hotel zoning. The fact that these uses now require judicial intervention to continue is further confirmation that the zoning code never granted them permanence. Bill 9 did not take a right the code ever guaranteed; it ended an administrative exception that should have required formal rezoning decades ago.

The way forward is not ad hoc relief, litigation-driven zoning, or recreating the Minatoya framework under a new designation. The way forward is process integrity. If H-3 and H-4 districts are pursued, they must be treated as true zoning changes: legislatively justified, map-based, consistent with adopted community plans, and reconciled with the County's stated housing objectives. Anything less exposes the County to continued litigation risk, erodes public trust, and reinforces the perception that land-use policy is shaped by who can afford to sue rather than by what the law actually requires. This Committee has the opportunity to interrupt that cycle—not by choosing sides, but by insisting that zoning law be applied honestly, coherently, and consistently.

For these reasons, I respectfully urge the Committee to insist on process integrity, legal coherence, and fidelity to Title 19 as these matters move forward. In 2026, I ask that you lead with clarity, sound judgment, humility, and integrity, guided not by litigation pressure or convenience, but by the law itself and the long-term interests of Maui and its residents.

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