

# LU Committee

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**From:** RPC Oswald <rpc.oswald@gmail.com>  
**Sent:** Monday, October 22, 2018 10:51 PM  
**To:** LU Committee  
**Subject:** Land Use Committee Meeting 10/23/2018 - Bill LU-10: Retain Accessory Dwellings for B&B Use

Re: Bill LU-10 – Change to Retain Accessory Dwellings for B&B Use

Aloha Chair Carroll and Committee Members,

**Request:**

Respectfully requesting that you reconsider the draft Bill LU-10's provision to prohibit accessory dwellings for Bed & Breakfast use. And urging you to eliminate this feature from the Bill.

**Rationale:**

Current County policy is to reduce the number of unlicensed vacation rental operators by encouraging them to become legally-licensed STRHs and B&Bs.

As the holders of B&B license BBPH0002, my wife Stephanie and I support this policy's spirit and intent.

But the new prohibition of accessory dwellings for B&B use will be a powerful *DIS*-incentive for unlicensed vacation rental operators to come forward "out of the shadows", get licensed, and operate legally; especially those already using an accessory dwelling for B&B use.

Such an unlicensed operator would understandably choose to remain "underground", because getting licensed and legal would immediately result in a large loss of revenue.

Thus, the accessory dwelling prohibition of Bill LU-10 is antithetical to the County's purpose because it encourages current illegal B&Bs to remain illegal, and it also encourages the creation of future illegal B&Bs.

Why would the County choose to create a NEW enforcement burden when B&B license enforcement is already so costly and problematic?

In addition, the accessory dwelling prohibition is the County's unreasonable "taking" of property from legal B&B licensees such as us. We understand that we would apparently be "grandfathered" and allowed to continue using our accessory dwelling for our current 4-bedroom B&B. However our 4-bed B&B's property value will be greatly diminished because a future owner – upon obtaining a new license - could only be a 2-bedroom B&B.

The goal of Bill LU-10 is to increase the long-term residential rental market. But such an unreasonable burden on the 65 or-so B&B operators with accessory dwellings will not measurably improve the long-term rental housing market.

Rather, as the future B&B market shrinks with the steady loss of B&B accessory dwellings, the lost B&B tourism will also be lost; here's why.

Future B&B renters – unable to find B&B accommodations on Maui due to the coming B&B shortage – will NOT simply choose to rent instead at a Maui vacation resort hotel. Speaking from experience, that B&B guest would choose to find a B&B on Kauai, Oahu, or Big Island. And, unfortunately, Maui would lose that bit of tourism revenue.

Also, the County's assumption that accessory dwellings – having been newly-denied B&B use – will be switched to long-term rentals is a false premise. B&B owners – including us - wish to be *Hosts*; we do NOT wish to become *Landlords*. Socially and legally, the two are completely different things. And we suspect that the converse would also be true: most Landlords would not choose to become B&B Hosts.

Respectfully submitted in the Aloha Spirit; Mahalo for your consideration.

**Robert Oswald**

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