

COUNCIL OF THE COUNTY OF MAUI
PLANNING AND SUSTAINABLE LAND
USE COMMITTEE

June 21, 2022

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Planning and Sustainable Land Use Committee, having met on November 3, 2021, and June 2, 2022, makes reference to County Communication 21-422, from Councilmember Tamara Paltin, transmitting a proposed resolution entitled “REFERRING TO THE PLANNING COMMISSIONS A PROPOSED BILL RELATING TO PHASING OUT TRANSIENT ACCOMMODATIONS IN THE APARTMENT DISTRICTS.”

The purpose of the proposed resolution is to refer the proposed bill entitled “A BILL FOR AN ORDINANCE AMENDING CHAPTER 19.12, MAUI COUNTY CODE, PHASING OUT TRANSIENT ACCOMMODATIONS IN THE APARTMENT DISTRICTS,” to the appropriate planning commissions in accordance with Sections 8-8.4 and 8-8.6 of the Revised Charter of the County of Maui (1983), as amended. The purpose of the proposed bill is to amend the Comprehensive Zoning Ordinance by phasing out transient accommodations in the Apartment Districts to create long-term affordable housing opportunities for residents, as recommended in the Maui County Comprehensive Affordable Housing Plan.

By correspondence dated October 29, 2021, Council Vice-Chair Keani N.W. Rawlins-Fernandez transmitted a revised proposed resolution, entitled “REFERRING TO THE PLANNING COMMISSIONS A PROPOSED BILL PHASING OUT TRANSIENT VACATION RENTALS IN THE APARTMENT DISTRICTS,” and a revised proposed bill attached as Exhibit “1,” entitled “A BILL FOR AN ORDINANCE AMENDING CHAPTER 19.12, MAUI COUNTY CODE, PHASING OUT TRANSIENT VACATION RENTALS IN THE APARTMENT DISTRICTS.” The revised proposed bill removes the need for the Planning Director to determine that the building or structure

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is within the sea level rise exposure area, and incorporates an effective date of January 1, 2023.

By correspondence dated May 27, 2022, the Chair of your Committee transmitted a further revised proposed resolution, entitled "REFERRING TO THE PLANNING COMMISSIONS A PROPOSED BILL RELATING TO CONVERTING APARTMENT BUILDINGS FROM TRANSIENT VACATION RENTAL USE TO LONG-TERM RESIDENTIAL USE," and a further revised proposed bill attached as Exhibit "1," entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 19.12, MAUI COUNTY CODE, RELATING TO CONVERTING APARTMENT BUILDINGS FROM TRANSIENT VACATION RENTAL USE TO LONG-TERM RESIDENTIAL USE." The further revised proposed bill would allow property owners of buildings located in the Apartment District to permanently convert property from transient vacation rental use to long-term residential use by filing a declaration with the State of Hawaii Bureau of Conveyances and providing notice to the County.

By correspondence dated May 31, 2022, the Department of the Corporation Counsel transmitted a further revised proposed bill which includes a provision that allows the Planning Director to enforce the declaration as a violation of Title 19, and nonsubstantive revisions.

Your Committee noted concerns, consistent of those raised by testifiers, on the requirement for the declaration to be executed by 100 percent of property owners. Your Committee supported 67 percent to be a more reasonable percentage.

A Deputy Corporation Counsel explained the intent of the provision is to be a recordation of a declaration with the Department of Finance, Real Property Assessment Division that would permanently convert property from transient vacation rental use to long-term residential use, which could be revised to further clarify the provision.

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The Deputy Corporation Counsel said the declaration must apply to the entire parcel and the planning commissions could amend the bill to require 67 percent of homeowners to agree to the conversion instead of 100 percent.

Your Committee agreed with the intent of the bill and supported the increase of affordable housing opportunities in the County, consistent with the recommendations in the Maui County Comprehensive Affordable Housing Plan.

Your Committee voted 9-0 to recommend adoption of the revised proposed resolution entitled “REFERRING TO THE PLANNING COMMISSIONS A PROPOSED BILL RELATING TO CONVERTING APARTMENT BUILDINGS FROM TRANSIENT VACATION RENTAL USE TO LONG-TERM RESIDENTIAL USE,” and filing of the communication. Committee Chair Paltin, Vice-Chair King, and members Johnson, Kama, Lee, Molina, Rawlins-Fernandez, Sinenci, and Sugimura voted “aye.”

Your Committee is in receipt of a revised proposed resolution incorporating your Committee’s revisions.

Your Planning and Sustainable Land Use Committee RECOMMENDS the following:

1. That Resolution _____, as revised herein and attached hereto, entitled “REFERRING TO THE PLANNING COMMISSIONS A PROPOSED BILL RELATING TO CONVERTING APARTMENT BUILDINGS FROM TRANSIENT VACATION RENTAL USE TO LONG-TERM RESIDENTIAL USE,” be ADOPTED; and
2. That County Communication 21-422 be FILED.

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This report is submitted in accordance with Rule 8 of the Rules of the Council.



TAMARA PALTIN, Chair

pslu:cr:22034aa:pmg

Resolution

No. _____

REFERRING TO THE PLANNING COMMISSIONS
A PROPOSED BILL RELATING TO CONVERTING
APARTMENT BUILDINGS FROM TRANSIENT
VACATION RENTAL USE TO LONG-TERM
RESIDENTIAL USE

WHEREAS the Council is considering a proposed bill to allow property owners of buildings in the Apartment District to permanently convert property from transient vacation rental use to long-term residential use; and

WHEREAS Sections 8-8.4 and 8-8.6 of the Revised Charter of the County of Maui (1983), as amended, require that the appropriate planning commission review proposed land use ordinances and provide findings and recommendations to the Council; now therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it refers the proposed bill entitled “A BILL FOR AN ORDINANCE AMENDING CHAPTER 19.12, MAUI COUNTY CODE, RELATING TO CONVERTING APARTMENT BUILDINGS FROM TRANSIENT VACATION RENTAL USE TO LONG-TERM RESIDENTIAL USE,” a copy of which is attached as Exhibit “1,” to the Lanai Planning Commission, Maui Planning Commission, and Molokai Planning Commission for appropriate action, in accordance with Sections 8.8.4 and 8.8.6 of the Revised Charter of the County of Maui (1983), as amended;
2. That it respectfully requests that the Lanai Planning Commission, Maui Planning Commission, and Molokai Planning Commission transmit their findings and recommendations to the Council as expeditiously as possible; and
3. That certified copies of this Resolution be transmitted to the Mayor, the Planning Director, the Lanai Planning Commission, Maui Planning Commission, and Molokai Planning Commission.

INTRODUCED BY:


TAMARA PALTIN

ORDINANCE NO. _____

BILL NO. _____ (2022)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 19.12, MAUI COUNTY CODE, RELATING TO CONVERTING APARTMENT BUILDINGS FROM TRANSIENT VACATION RENTAL USE TO LONG-TERM RESIDENTIAL USE

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. The purpose of this Ordinance is to allow property owners of buildings located in the Apartment District to permanently convert property from transient vacation rental use to long-term residential use by filing a declaration with the State of Hawai'i Bureau of Conveyances and providing notice to the County.

SECTION 2. Chapter 19.12, Maui County Code, is amended by adding a new section to be appropriately designated and to read as follows:

"19.12.025 Conversion of real property from transient vacation rental use to residential use. The owners of property in which transient vacation rental use is allowed under subsection 19.12.020(G), may opt to permanently discontinue such use upon filing a declaration with the State of Hawai'i bureau of conveyances in a form prescribed by the department in accordance with this section. A. The declaration must be executed by 100 percent of the property owners and must apply to the entire parcel.

B. The declaration must state the owners will use the property for long-term residential use only.

C. The property owners must cause the declaration to be filed with the State of Hawai'i bureau of conveyances.

D. Recordation of the declaration constitutes a forfeiture on the part of the owners, and all successors and assigns, of any right to transient vacation rental use of the property, unless such use is then allowed in accordance with a valid permit.

E. A recorded copy of the declaration must be filed with the director by September 1 of any calendar year. Upon receipt, the

director must review the declaration and determine whether it is complete within forty-five days.

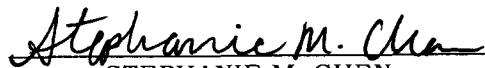
F. The director must notify the department of finance, real property assessment division of the recordation of a declaration permanently converting property from transient vacation rental use to long-term residential use that is determined to be complete.

G. The director may enforce the failure to abide by the declaration as a violation of this title.”

SECTION 3. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 4. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:



STEPHANIE M. CHEN
Deputy Corporation Counsel
County of Maui

LF2021-0016
PSLU-34 2022-05-31 Ord Amd Ch 19.12
pslu:misc:034abill01:wal

INTRODUCED BY:

Tamara A. M. Paltin

TAMARA PALTIN