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March 14, 2018 TESTIMONY LU-54

Good afternoon and aloha Chair and members. My name is Lawrence Carnicelli, speaking on behalf of the REALTORS Association of Maui's North Shore REALTORS® and Affiliates on item LU-54.

First, I would like to start by saying that RAM is in favor of the intent of this bill. We are way overdue to make the proper updates to remove the inconstancies and discrepancies in our short term rental ordinance and the Paia/Haiku Community Plan.

As you are aware there is Paia/Haiku Community Plan was adopted on May 17, 1995 (23 years ago) when there was no such thing as 'vacation rentals' only bed and breakfasts. This bill was referred to the Maui Planning Commission which <u>conducted two community meetings and two public hearings</u> on the matter. As a planning commissioner I can say the bill before you does not completely reflect what was recommended from the Planning Commission as a result of those meetings and hearings.

The proposed bill before you changes the Paia/Haiku Community Plan to read:

"13. Limit visitor accommodations to permitted short-term rental homes and owner-occupied ["bed] bed and [breakfast"] breakfast [establishments] homes that are residential in both scale and character. [Any proposed] <u>No new</u> ["bed] bed and [breakfasts"] breakfast homes or short-term rental homes should [not] be [situated near] permitted on properties that abut the shoreline so as to avoid the proliferation of [this use] <u>these uses</u> and subsequent changes in the character of the region's coast. <u>Illegal visitor</u> accommodations can diminish the availability and affordability of housing for residents and should be subject to strict enforcement action."

The first sentence and the third (last) sentence are correct. However, there is an error in the language of the second sentence with its **implied prohibition** of any new rental on the shoreline. This was not recommended by the community nor was it transmitted from the Planning Commission. We are not sure why the Department has decided to insert the "no new" qualifier that can be seen as a ban.

What WAS discussed was that there could be limits to these properties abutting the shoreline **IF** a proliferation were to occur. The second sentence should read more like this:

...Any proposed <u>new</u> ["bed] <u>bed</u> and [breakfasts"] <u>breakfast homes or short-term rental homes</u> should not be <u>permitted on properties that abut</u> the shoreline <u>if this causes a</u> [so as to avoid the] proliferation of [this use] <u>these uses</u> and subsequent changes in the character of the region's coast...

The Planning Commission was unclear on how to define "proliferation" and openly deferred this to the County Council.

Similar language has been inserted into Chapter 19.65.030 4. Paia-Haiku: 88[.]; except that new permits may not be issued for properties abutting the shoreline so as to avoid proliferation of this use and subsequent changes in the character of the region's coast.

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This should read: 4. Paia-Haiku: 88[.]; except that new permits may not be issued for properties abutting the shoreline if this causes a proliferation of this use and subsequent changes in the character of the region's coast.

These two changes were made specifically to match each other and to address the vetted cap of 88 short-term rental homes and respect the 23 year old language in the Community Plan.

Another point that RAM would like to make is that at no time in any of the meetings conducted by the Planning Department or Planning Commission did any resident state they wanted a change in the cap of 88 legal rentals. However, I would like to say that the Planning Commission recommended that the Council consider splitting the 88 (in some manner) between Paia and Haiku to avoid a concentration of them in Paia.