

## PSLU Committee

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**From:** Jacky Takakura <Jacky.Takakura@co.maui.hi.us>  
**Sent:** Wednesday, November 3, 2021 8:09 AM  
**To:** PSLU Committee  
**Cc:** Jordan Hart  
**Subject:** PSLU-28 vacation rental moratorium 11/3/21  
**Attachments:** 211103TVRMoratoriumOverview.pdf

Good morning

Here's a pdf of the department's powerpoint presentation, if a powerpoint would be helpful (I can present if the Chair thinks it would be helpful, or not if it takes too much time).

Thanks

Jacky

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# Proposed Moratorium on New Transient Vacation Accommodations

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COUNTY COUNCIL RESOLUTION 21-98

PSLU-28, NOVEMBER 3, 2021

# Moratorium details

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- Proposed for 2 years with a possible 6-month extension
- Revisions to Titles 19 and 20
- Defines new transient accommodations as any structure intended to be used for transient accommodation, including hotels, timeshares, short-term rental homes, and transient vacation rental units, that is not in operation as a transient accommodation as of the effective date of the ordinance, but excluding bed and breakfast homes.
- No permit applications or permits may be accepted or granted by any board, commission, or agency for new transient accommodations.

Why?

“The Council believes a moratorium on new transient accommodations will maintain the status quo and allow the County time to adequately study and enact legislation relating to better management and regulation of transient accommodations and the tourism industry's impact on the County's environment and residents' quality of life, and provide the County with clear policy direction for day-to-day decision-making to work toward resilience.”

# What is the Status Quo?

Data source:  
County of Maui  
Real Property Assessment Division  
2021 Maui Visitor Lodging Inventory

Real Property Visitor Lodging Type	2021 Count	
Hotel operations (41 hotels)	8,336	Rooms
Residential condominiums used for transient lodging	13,029	Parcels
Single family bed & breakfast	165	Parcels
Permitted/grandfathered single family transient lodging	420	Parcels
Timeshare dwelling condominium units	2,475	Parcels
Hotel zoned condominiums not used for transient lodging	134	Parcels
<b>Total visitor lodging units</b>	<b>24,425</b>	

# What is Resilience?

- The ability of a system to cope with shocks and keep functioning in much of the same kind of way.

*Walker B. & Salt D., 2012, Resilience Practice*

- The capacity of social, economic, and environmental systems to cope with a hazardous event or trend or disturbance, responding or reorganizing in ways that maintain their essential function, identity, and structure, while also maintaining the capacity for adaptation, learning, and transformation (*Arctic Council, 2013*).

[https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc\\_wg3\\_ar5\\_annex-i.pdf](https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_annex-i.pdf)

# Guidance from Long-term Planning Documents - 2010 Countywide Policy Plan

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- Support the renovation and enhancement of existing visitor facilities.
- Limit the number of visitor-accommodation units and facilities in Community Plan Areas.
- Maintain a sustainable balance between the resident, part-time resident, and visitor populations.
- Discourage new entitlements for residential, resort, or commercial development along the shoreline.

# Guidance from Long-term Planning Documents - 2012 Maui Island Plan

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- Comprehensively manage future visitor-unit expansion
- Allow, where permitted by the community plan, the development of business hotels and small, sensitively-designed inns.
- Manage impacts from transient vacation rentals, hotels, bed and breakfast units, timeshares, and resort condominiums on residential communities, public infrastructure, and community facilities.
- Discourage supplanting of existing island housing to visitor accommodations that may have a negative impact on long-term rental housing, price of housing, and price of land.
- Community plans should consider establishing standards such as limits on building size, room count, and the number of inns, if any, that will be allowed in small towns.



# Guidance from Long-term Planning Documents - 2012 Maui Island Plan

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- Manage transient vacation rentals through permitting in accordance with adopted regulations and community plan policies.
- Develop programs and/or regulations to:
  - (1) Allow for the development of small, locally-owned inns and B&Bs in the commercial cores of Maui's country towns and business districts if permitted, and as defined in the community plans;
  - (2) Cap the number and type of visitor accommodations that can be permitted; and
  - (3) Manage the number and type of visitor accommodations that can be permitted.
- Promote a desirable island population by striving to not exceed an island-wide visitor population of roughly 33 percent of the resident population.

## Revision #1

Add a way to determine  
“Use”

“New transient accommodation” means any structure intended to be used for transient accommodation, including hotels, timeshares, short-term rental homes, and transient vacation rental units, that is not in operation as a transient accommodation as of the effective date of this ordinance, but excluding bed and breakfast homes. Verification of use may be determined by real property tax class, payment of general excise and transient accommodations tax, and advertising.

## Revision #2

### Exceptions for Existing and Nonconforming Uses

Subsection C currently reads: Renovations or repairs of transient accommodations that do not increase lodging capacity or expand the structures beyond the boundaries of the existing structural footprint.

To avoid confusion for those operating as a “nonconforming use,” clarification can be added as described below:

1. Transient accommodations operating in zoning districts where this is a permitted use may perform renovations or repairs that do not increase lodging capacity or expand the structure beyond the boundaries of the existing structural footprint.

2. Transient accommodations operating as a nonconforming use under 19.04.040 and 19.500.110, must continue to comply with the provisions of 19.04.040 and 19.500.110.

## Revision #3

### Exceptions for Providing Affordable Housing

Subsection E should include require 1 housing unit for every 3 transient accommodation units, be available to more residents, and require units not credits.

E. Any development that includes new housing units built, at a ratio of at least 1 housing unit for every 3 transient accommodation units, rounding up to the nearest whole number, of the total number of new transient accommodations

1. Affordable to very low income, low income, below moderate, and moderate income residents, as defined in the residential workforce housing policy, for at least thirty years.

4. Housing credits may not be issued to or used by the developer to satisfy the requirement for any type of unit constructed.

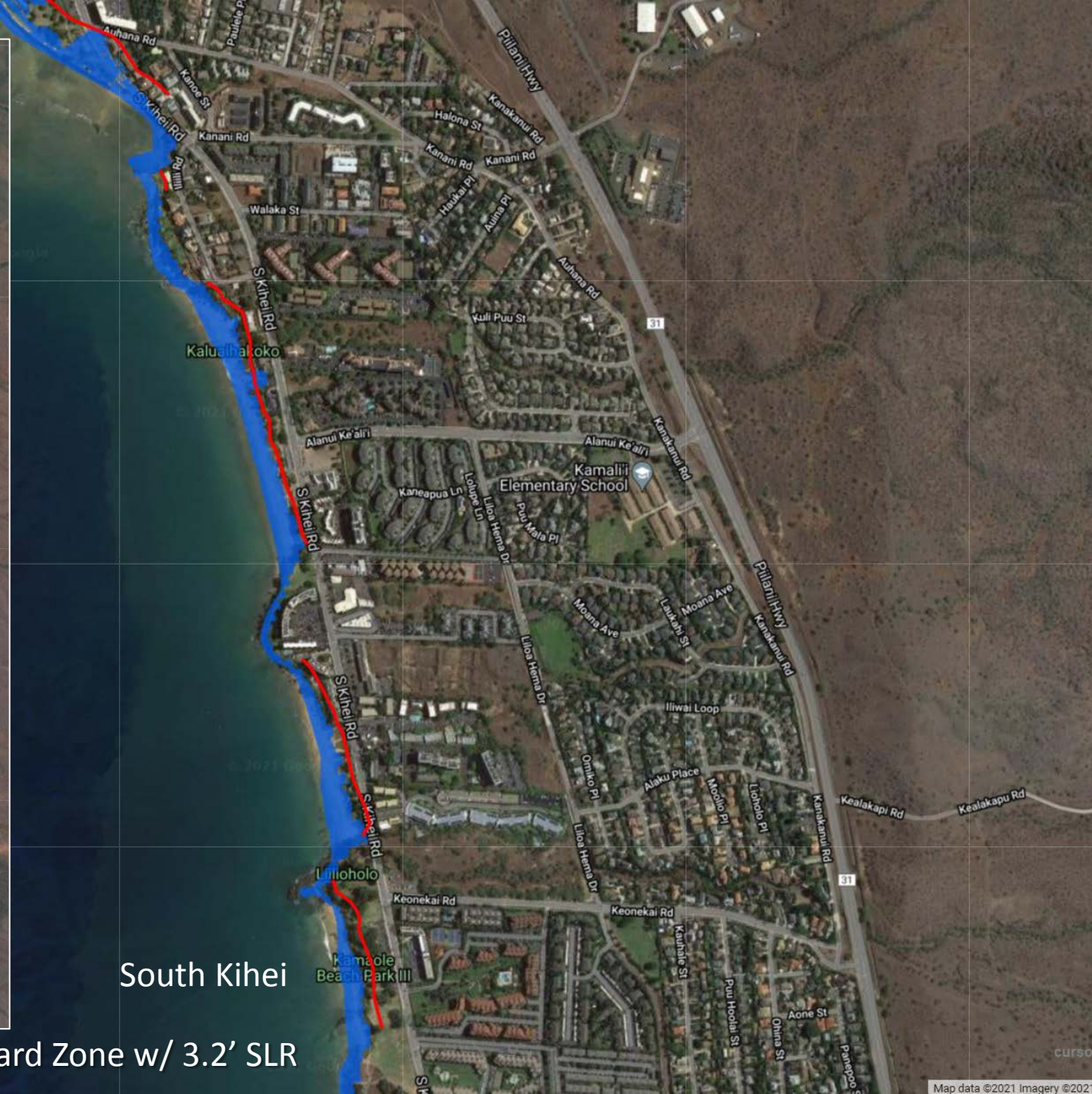
## Revision #4

Exceptions for Moving Out of  
Harm's Way – Sea Level Rise  
Exposure Area or Coastal  
Flood Hazard Zone with Sea  
Level Rise

F. The development of any new transient accommodations in order to relocate existing transient accommodations away from coastal hazards, as follows:

1. The existing units are removed from within either the 3.2 feet sea level rise exposure area (SLR-XA) or the coastal flood hazard zone with sea level rise (1%CFZ-3.2) area as determined by the director from the State of Hawaii sea level rise viewer hosted by the Pacific Islands Ocean Observing System;
2. The new development occurs outside of both the SLR-XA and the 1%CFZ-3.2;
3. The existing units are demolished and removed, and construction of the new units commences within ten years from the issuance of permits from the department of public works for the demolition and removal of the existing units;
4. The new units cannot be occupied until the demolition begins on the existing units; and
5. The number of new units or rooms is less than or equal to that of the existing units or rooms that will be demolished and removed.



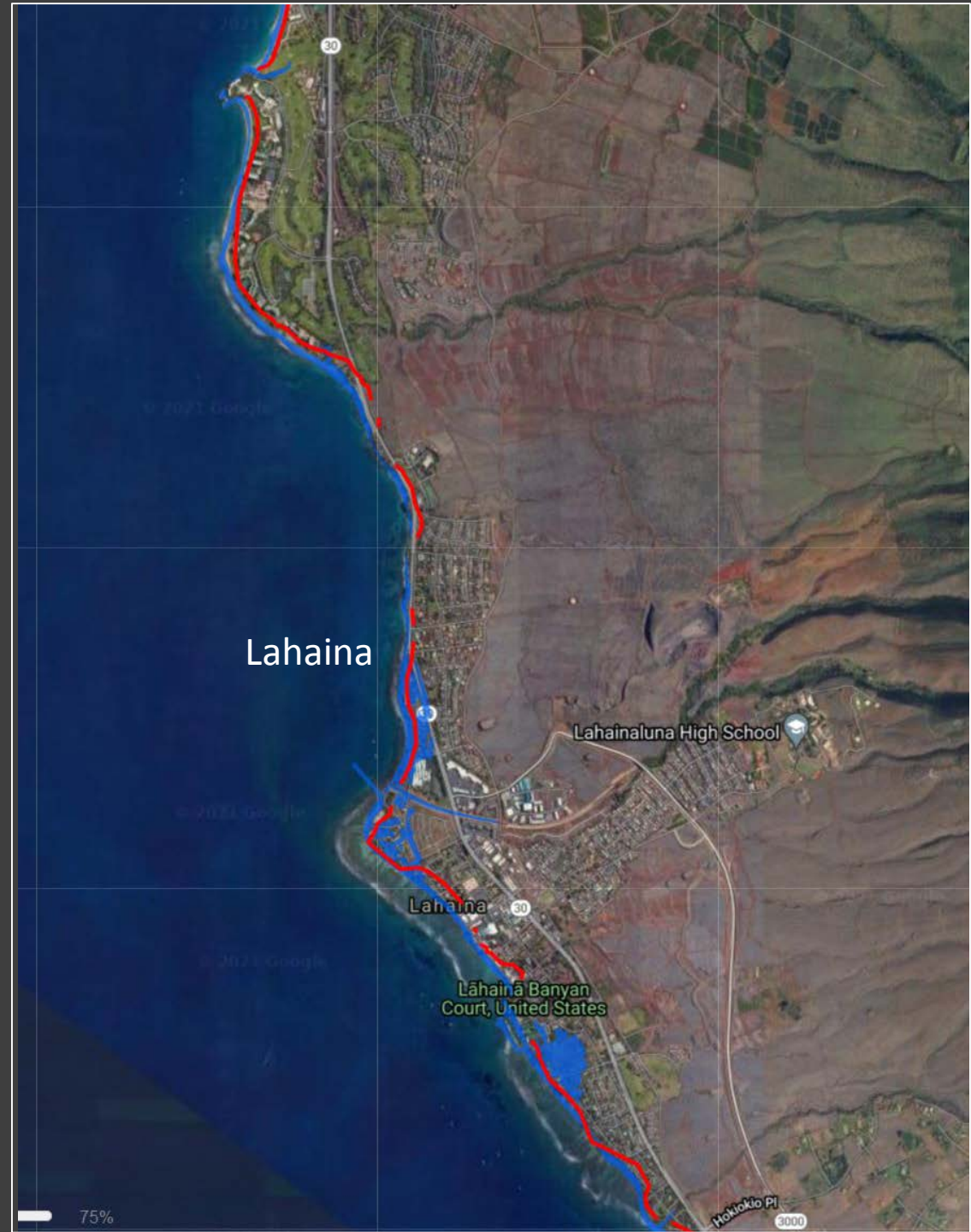
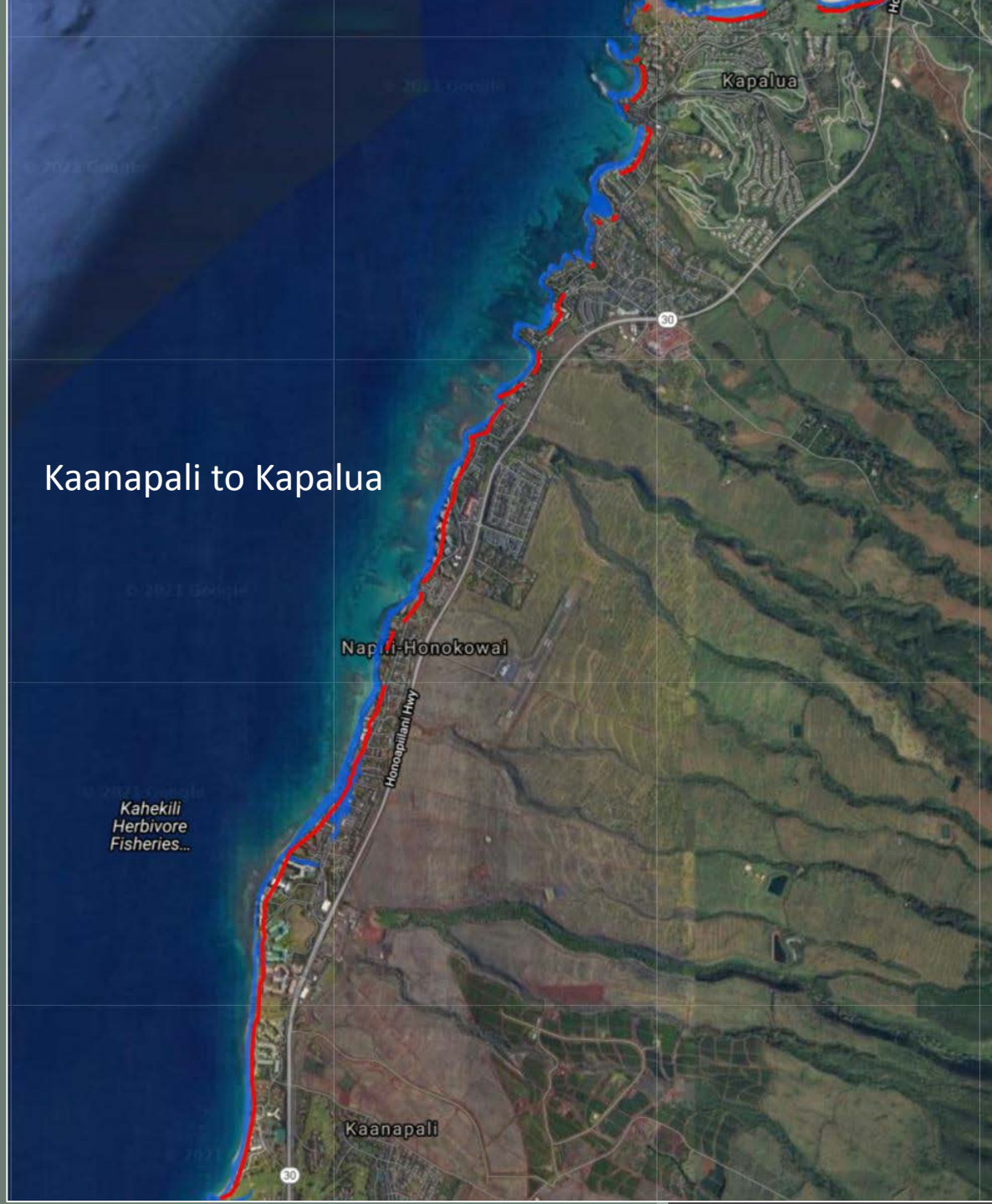


North Kihei

South Kihei

Red = 3.2' Coastal Erosion line. Blue = Coastal Flood Hazard Zone w/ 3.2' SLR







Maalaea





# Last revision

Section 3 of the bill

This Ordinance takes effect upon its approval, but does not apply to the processing, approval, or granting of any application for the approval of a new transient accommodation that is properly filed with the county prior to the effective date of this ordinance.

Removed reference to application being **complete**.

*Mahalo!*