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COUNTY COUNCIL

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

January 22, 2018

Mr. William Spence, Director Department of Planning County of Maui Wailuku, Hawaii 96793

Dear Mr. Spence:

SUBJECT: AMENDING ORDINANCE 4295 (2016), TO ALLOW

MAUI DRAGON FRUIT FARM LLC TO ALSO OPERATE A TRANSIENT VACATION RENTAL IN A TWO-BEDROOM FARM DWELLING AT 833 PUNAKEA

LOOP UNIT 1 (LAHAINA) (LU-53)

The Land Use Committee is in receipt of County Communication 18-34, from you, transmitting a request from Lawrence and Crystal Schmitt of Maui Dragon Fruit Farm LLC to amend Ordinance 4295 (2016), to also allow transient vacation rental use in a two-bedroom farm dwelling on the property, in addition to the uses allowed under the Conditional Permit granted by Ordinance 4295.

May I please request your response to the following:

1. Ordinance 4295 went into effect on March 4, 2016, and granted Maui Dragon Fruit Farm LLC a Conditional Permit to conduct agricultural-related activities and certain special events on the property. The application to operate a transient vacation rental ("TVR") on the property is dated February 17, 2016, two weeks prior to the effective date of the ordinance, and date-stamped as received by the Department of Planning on February 24, 2016. Part of the justification for the operation of a TVR on the property, as set forth in Crystal Schmitt's undated letter attached as Exhibit "1" to the Department's Report, is as follows:

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> We have had difficulty securing event bookings due to the very limiting conditions of our special use and conditional use permits (ie. 50 guests max, no amplified music and an 8 pm curfew). In fact, ever since the permit is issued, we only had one wedding so far and that is a wedding for a friend. We hope the ability to stay at the farm in the cottage as part of the event will allow us to secure more events.

Please outline the chronology of the TVR application, starting with your Department's receipt of the application. Include the date the applicant's letter quoted above was received by your Department and when the friend's wedding noted in the letter was held. Note any additional special events booked by the applicant since that time and any other dates or circumstances that would be germane to this statement and the TVR application generally.

- 2. Has your Department received any complaints concerning Conditional Permit activities allowed by Ordinance 4295? If so, were those complaints investigated and how were they resolved? Please explain.
- 3. What is the Department's understanding of the duration of the Conditional Permit as set forth in the proposed bill to amend Ordinance 4295? Is the Department's intent to have the Conditional Permit remain valid for two years from the effective date of Ordinance 4295, or until March 3, 2018; or for two years from enactment of the proposed bill to amend Ordinance 4295? (There does not appear to be a duration set forth in the letter approving the Special Use Permit, dated March 9, 2017, and it is unclear from the documents provided.)
 - a. If the latter, did your Department receive a timely request for an extension of the existing Conditional Permit? If so, please provide the Committee with a copy of the request.
 - b. Was notification of the proposed time extension of the Conditional Permit uses authorized by Ordinance 4295 provided in accordance with Section 19.40.090(B), Maui County Code, and Condition 2 of Ordinance 4295? Or will the proposed time extension be the subject of a separate

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application to be transmitted at a later date? (It appears from the Maui Planning Commission's meeting agenda that the public hearing held on February 28, 2017, related to the proposed transient vacation rental use only. The Committee has not received any minutes of a Maui Planning Commission meeting on a time extension.) Please explain.

c. Based on your responses above, please revise the proposed bill if appropriate to address the duration of the proposed TVR operation and any proposed time extension of the existing Conditional Permit uses.

I would appreciate receiving your response by **Tuesday, January 30, 2018.** To ensure efficient processing, please include the relevant Committee item number in the subject line of your response.

Should you have any questions, please contact me or the Committee staff (Carla Nakata at ext. 7659, Alec Wagner at ext. 7662, or Rayna Yap at ext. 8007).

Sincerely,

ROBERT CARROLL, Chair

Land Use Committee

lu:ltr:053apl01:cmn

cc: Mayor Alan M. Arakawa Livit Callentine, Planner, Department of Planning Michael Hopper, Deputy Corporation Counsel David Galazin, Deputy Corporation Counsel