

PLANNING AND SUSTAINABLE LAND USE COMMITTEE
Council of the County of Maui

MINUTES

November 3, 2021

Online Only Via BlueJeans

CONVENE: 9:01 a.m.

PRESENT: Councilmember Tamara Paltin, Chair
Councilmember Gabe Johnson, Member
Councilmember Tasha Kama, Member (in 10:20 a.m.)
Councilmember Alice L. Lee, Member (out 4:37 p.m.)
Councilmember Michael J. Molina, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member
Councilmember Shane M. Sinenci, Member
Councilmember Yuki Lei K. Sugimura, Member

EXCUSED: Councilmember Kelly Takaya King, Vice-Chair

STAFF: Wilton Leauanae, Legislative Analyst
Alison Stewart, Legislative Analyst
Shelly Espeleta, Supervising Legislative Analyst
Richard Mitchell, Legislative Attorney
David Raatz, Deputy Director
Clarita Balala, Committee Secretary
Lenora Dineen, Council Services Assistant Clerk

Kate Griffiths, Executive Assistant to Councilmember Gabe Johnson
Roxanne Morita, Executive Assistant to Councilmember Gabe Johnson
Autumn Ness, Executive Assistant to Councilmember Gabe Johnson
Evan Dust, Executive Assistant to Councilmember Tasha Kama
Davideane Kama-Sickels, Executive Assistant to Councilmember Tasha Kama
Lois Whitney, Executive Assistant to Councilmember Tasha Kama
Ellen McKinley, Executive Assistant to Councilmember Kelly Takaya King
Sarah Pajimola, Executive Assistant to Councilmember Keani N.W. Rawlins-Fernandez
Mahina Poepoe, Executive Assistant to Councilmember Keani N.W. Rawlins-Fernandez
Dawn Lono, Executive Assistant to Councilmember Shane M. Sinenci
Jordan Helle, Executive Assistant to Councilmember Yuki Lei K. Sugimura

ADMIN.: Michael Hopper, Deputy Corporation Counsel, Department of the Corporation Counsel
Stephanie Chen, Deputy Corporation Counsel, Department of the Corporation Counsel
Jordan Hart, Deputy Director, Department of Planning

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

Jacky Takakura, Administrative Planning Officer, Department of Planning
Kathleen Ross Aoki, Planning Program Manager, Department of Planning
Gery Madriaga, Assistant County Real Property Tax Administrator,
Department of Finance

OTHERS: Sne Patel
Christopher Delaunay
Bob Hansen
Mike Moran, Kihei Community Association
Pamela Tumpap, President, Maui Chamber of Commerce
Lucienne de Naie
Tom Cook
Don Brattin
Christian Tackett
Michael Trotto
Jason Economou, Government Affairs Director, Realtors Association of
Maui
Tina Wildberger
Andrea Clur
Charlene Schulenberg
Derek Kanoa, Vice President of Sales, Hilton Grand Vacations
Francesco
Genesis Young
Ralph Overton
Cheryl Hendrickson
Karen Comcowich
Toni Gebers
Lei Shannon Vanderheuvel
Tobi Fisher
Clint Hansen
Roy Vandoorn
Johann Lall
Mark Harbison
Kelly Swanson
Albert Perez, President, Maui Tomorrow
Caitlin Miller
Leanne Sim
Amy Bond Ramos
Lynn Britton
Jeremy Stice
Dick Mayer
Ivan Lay
Maureen Richardson
Jordan Hocker
Elizabeth McGain
Jim Flynn
Cara Flores

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

Thomas Croly
David Englert
Greg Mebel
Alan Cadiz
Jen Russo
Colin Haubrich
Michael O'Neill
John Smith
Kimberlee Lee
Zhantell Lindo
Claire Apana
Robin Knox
Pat Char
Dave Jorgensen, American Resort Development Association
Kai Nishiki
Steve Gatsby
(108) additional attendees

PRESS: *Akakū: Maui Community Television, Inc.*
 Kehau Cerizo, The Maui News
 Chelsea Davis, Hawaii News Now

CHAIR PALTIN: . . . *(gavel)*. . . Aloha kakahiaka. Will the Planning and Sustainable Land Use Committee meeting of November 3rd, special day for us, all-day meeting, come to order. The time is now 9:01 a.m. If I can ask everyone to please silence their cell phones or any noisemaking devices. And if you're a testifier, please mute yourself at this time, both video and audio. Aloha kakahiaka kākou. Little weather report, we have fun two-to four-foot surf on the upper west side, mostly clear skies, and light and variable winds. I'm broadcasting live and direct out of the West Maui District Office with my aide Angela more than six feet away. And this online meeting is being conducted in accordance with the Governor's most recent emergency proclamation on COVID-19. Please see the last page of the agenda for information on meeting connectivity. As required by the Governor's most recent emergency proclamation, Members at non-public locations should state who, if anyone, is present with them. And that's just for the Councilmembers, not for the testifiers. My name is Tamara Paltin and I'll be your Chair for today's Planning and Sustainable Land Use Committee meeting. Our Vice-Chair Kelly King, who sparked the idea of a visitor accommodation moratorium is in, I believe, Glasgow, Scotland at the COP26, so she's representing Maui County for all of us. Next up we have Gabe Johnson from the Island of Lānaʻi, and the greeting today from Istanbul is gunaydin.

COUNCILMEMBER JOHNSON: Gunaydin, Chair. Gunaydin, Members. Gunaydin to all the folks watching. I am home alone in...on the Island of Lānaʻi in my house, and you can probably hear my chickens in the back.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Awesome. And next up we have Council Chair Alice Lee. Gunaydin and aloha kakahiaka.

COUNCILMEMBER LEE: Gunaydin kākou. Good morning to everyone, my colleagues and everyone out there. Get your snacks ready because we're going to have a long meeting today. And also, I am here alone with my little puppy named Koa.

CHAIR PALTIN: Awesome. And next up, from Makawao, Ha'ikū, and Pā'ia, but currently broadcasting out of Wailuku, we have Councilmember Mike Molina.

COUNCILMEMBER MOLINA: Aloha and gunaydin, Madam Chair, and to my colleagues and everyone else joining us for this PSLU meeting we're going to have today...well, this morning and this afternoon. Anyway, for the record, yes, I'm transmitting from Wailuku for the morning session, and in the afternoon session I'll be broadcasting from my residence in Makawao. Aloha.

CHAIR PALTIN: Aloha. From East Maui we have Councilmember Shane Sinenci. Aloha kakahiaka and gunaydin.

COUNCILMEMBER SINENCI: Hey, gunaydin, Chair, and united we stand. Ku ha eo mai Maui Hikina. I'm here at the Hāna Culture Center with my EA Dawn Lono where we're suitably distanced.

CHAIR PALTIN: And last but not least, from jacaranda country, we have Councilmember Yuki Lei Sugimura. Gunaydin and aloha kakahiaka.

COUNCILMEMBER SUGIMURA: Good morning, everybody. Gunaydin. And yes, I am here in Kula. The temperature here is 72 degrees, and I checked, Kahului is about 80, so we have a little bit of a difference of weather. But it's so beautiful, birds chirping, and ready for a long day of meeting. Thank you.

CHAIR PALTIN: Thank you. And aloha kakahiaka and gunaydin to Councilmember Keani Rawlins-Fernandez from the Island of Moloka'i.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka mai Moloka'i nui a Hina, Chair. I'm at the Moloka'i District Office by myself on this side of the office. And gunaydin kākou. Did I...did I butcher it?

CHAIR PALTIN: Gunaydin.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR PALTIN: It's Istanbul today.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: And I haven't heard from Member Kama, but I figure that she will probably be joining us later and is excused at this time. From the Administration we have Deputy Corporation Counsel Stephanie Chen for all items. From the Planning Department, I know that we have Ms. Takakura, I believe, on the line; and probably also Deputy Director Jordan Hart. From Department of Finance, we have Director Scott Teruya. And our Committee Staff for today, Committee Secretary is Clarita Balala; our Legislative Analysts are Wilton Leauanae, as well as Alison Stewart; our Legislative Attorney is Richard Mitchell; and our Assistant Clerk is Lei Dineen. We have two items on the agenda, PSLU-28, which is the Moratorium on New Transient Accommodations on Maui; and PSLU-34 Phasing Out Transient Accommodations in the Apartment Districts. And we have received a lot of written testimony for the two items on the agenda today, over 200 the last I saw in eComments. And I have scheduled this meeting for the entire day to try and accommodate all those who may want to provide oral testimony, and for the Committee to discuss the agenda items. I thank all of you for taking the time to provide the Committee with your testimony on these important topics involving transient accommodations. In June, the moratorium bill under Item PSLU-28 was referred to the Maui Planning Commission for their review and recommendation, and has recently come back for the Committee's further consideration. For PSLU-34, this Committee is discussing and trying to come to consensus of what we would send to the Planning Commission for their review and recommendation if possible. *(audio interference)* Oh. Is everybody muted that should be muted? I'm hearing a little extra noise. Dan, I'm going to mute you. Okay. So in July, this Committee received a presentation from the Planning Department that provided some statistics of TVRs on Maui...or in Maui County, and there's approximately 24,425 visitor accommodation units, and that includes about 8,336 hotel rooms, about 13,029 apartments or condos, 7,300 roughly are part of the A-1/A-2 zoning. We have 165 bed and breakfast units, 2,475 timeshare units, 420 other types of TVR. So the theme for today's meeting is really centered around General Plan Objective 1D, which states maintain a sustainable balance between the resident, part-time resident, and visitor populations. This is not about...really not about the hotel industry, the short-term rental industry, or really about the visitor industry, but it's more about our residents and the vision that they had and their quality of life. And just a little historical timeline for folks that weren't around that far back, but in 2007, then Mayor Tavares initiated a crackdown on illegal TVRs, and that caused a lot of blowback because there wasn't really a pathway for most transient vacation rental units to become legal. So in 2008, the bed and breakfast ordinance was passed, allowing for 400 legal bed and breakfast units. Then in 2012, the short-term rental home permit process was passed, allowing for 400 legal short-term rental homes. So you know, if that was the end of the story, we would have probably only had a little over 800 transient visitor rental units in addition to hotels and timeshares. But then in 2014, the A-1 and A-2 were allowed to do short-term rental, and that accounted for an additional 7,300 units. Then in 2018, the County voted on the...raising the fines for illegal transient vacation rentals to \$20,000 for the first incident, and 10,000 for nightly thereafter. If you were like me and voting for that in 2018, you may have thought that anything more than those 800 B&B and STRs were illegal; but when I came into office, I learned there's so many different ways for short-term rentals to be legal in addition to being permitted. And there's a big difference between having a short-term rental permit and being legal by zoning or some other

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

methodology. And so, you know, in reading a lot of the testimonies that we received online, I think that not everybody understands that clarification. So just to mention, there are two bills on the table for PSLU-34, one from myself and one from Member Rawlins-Fernandez. And if we have time to get to that, I think, you know, the...the preferred method at this time is to phase out the ones that lie within the SLR-XA. That's what Member Rawlins-Fernandez's bill has written, and you know, from speaking to some realtors, it does make sense at this time. So that would be a phase-out of approximately 3,000 units is what we're talking for...about for PSLU-34. And you know, these aren't meant to be low-income housing, it's just meant to be housing, not affordable. Because you know, if anybody knows anybody on Maui, we see that so many of our friends and relatives are getting 5 to \$600 rental increases or getting evicted. And so it's not only the need of the low-income, the affordable, and the workforce, it's everybody. We need housing for everybody. And many of these units used to be housing for everybody prior to 2014. So that's kind of why we scheduled this meeting today altogether. It's not about being against hotel, it's not about being short-term rental, it's just about, you know, having this discussion. And we can get further information from the Planning Department later in the meeting. But part of the reason I mentioned these numbers upfront is to give you a general idea of the transient accommodations out there in the community, and what specifically are in the Apartments Districts, and what we're discussing. So my hope is we're able to discuss and find a balanced approach to address the issues in these two agenda items. And I saw Chair Lee had her hand up before we start with testimony.

COUNCILMEMBER LEE: Yeah, I...thank you, Madam Chair. You went over those numbers so quickly I don't think the people were...had a chance to...to write them down, the 40,425 [sic]. Can you repeat that please?

CHAIR PALTIN: Oh, we have a total of 24,425 visitor accommodation units in the County altogether. About 8,336 of those are hotel rooms; about 2,475 of those are timeshares; about 7,300 of those are A-1 or A-2 zoned, and of those 7,300 about...approximately 3,000 are mauka of the sea level rise exposure area; and then we have another approximate 5,000 condotels in other types of zoning besides A-1 and A-2. We have 165 B&Bs and 420 other types of short-term rental, whether they're grandfathered, zoning, or permitted. So what we're focusing on today is the hotel moratorium that has passed through the Planning Commission, and I think the 3,000 A-1...approximately 3,000 A-1 and A-2 zoned short-term rentals that are mauka of the sea level rise exposure area. Did you need me to repeat anything more else?

COUNCILMEMBER LEE: No, I think that's fine. I think people got it the second time.

CHAIR PALTIN: Okay. All right. So let's see. Let's begin with public testimony. I think we're...we're over 50 right now, so there's that. Testifiers wanting to provide video testimony should have joined the online meeting via the BlueJeans link as noted on today's agenda.

COUNCILMEMBER RAWLINS-FERNANDEZ: Member Sinenci had his hand up.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Oh, Member Sinenci, did you have your hand up?

COUNCILMEMBER SINENCI: Oh, thank you, Member Rawlins-Fernandez. Just...you mentioned the General Plan prior to those numbers. I just wanted to get clarification of that section you mentioned.

CHAIR PALTIN: Sure. It was Objective 1D, maintain a sustainable balance between the resident, part-time resident, and visitor population. That was the...the general theme of today's meeting.

COUNCILMEMBER SINENCI: Okay. Thank you.

CHAIR PALTIN: Sure thing. Testifiers wanting to provide audio testimony should call 408-915-6290 and enter meeting code 149 341 846, also noted on today's agenda. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I just wanted to really quickly thank you for your opening comments. And I...I wanted to, like, stop it before it starts. In...in...I learned recently, like in the last few years, that the term "grandfathering in" has racist roots, and I'm hoping that, you know, with testimony like it won't be used, so I guess just exemption can be used in its stead. Grandfathering in was a law that oppressed and disenfranchised black people in the...in the south. So perhaps we can not use the term grandfathering in. Mahalo, Chair.

CHAIR PALTIN: Okay. So let's see, 420 TVR through...provided through short-term rental home permits or other legacy uses, I think is the...the new term maybe. Legacy. Okay. Written testimony is encouraged and can be sent via the eComment link at mauicounty.us/agendas. Oral testimony is limited to three minutes per agenda item. When your name is called, please unmute yourself by clicking the video and microphone icons, or if calling in, press star four to unmute yourself. There will be an alarm that goes off at the end of your three minutes. Staff, can you give us a sample of what the alarm sounds like . . .*(timer sounds)*. . . Maybe a little bit louder. One more time. . .*(timer sounds)*. . . Okay. That'll be the alarm. And so, you know, we do have the option to reduce it to two minutes to get everyone in. What...what do the Members say...are they wanting to hear three minutes per item or two minutes per item? Chair Lee?

COUNCILMEMBER LEE: I think two minutes is sufficient because after a while there's going to be a lot of repetition of the same testimony. I would caution the Members from not asking too long of questions.

CHAIR PALTIN: Okay. Yeah, we'll try to keep it to clarifying questions. If you need to ask more questions maybe we can do...you guys can do side dialogue after the meeting. We will need to have a majority of Members on the Committee vote to reduce it to two minutes. So we'll need, I guess, five Members to vote in favor. So I'll entertain a motion to reduce testimony to two minutes.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER LEE: Okay.

CHAIR PALTIN: Moved by Chair Lee, seconded by --

COUNCILMEMBER RAWLINS-FERNANDEZ: . . . *(raises hand)*. . .

CHAIR PALTIN: -- Councilmember Rawlins-Fernandez. All those in favor of reducing testimony time to two minutes, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR PALTIN: One, two, three...five, six. Okay. That is a majority of Members. Any opposed?

COUNCILMEMBER MOLINA: No.

CHAIR PALTIN: Member Molina. So it's three...six to one. Motion passes.

**VOTE: AYES: Chair Paltin, Councilmembers Johnson, Lee,
 Rawlins-Fernandez, Sinenci, and Sugimura.**

NOES: Councilmember Molina.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair King and Councilmember Kama.

MOTION CARRIED.

ACTION: TESTIMONY TIME IS REDUCED TO TWO MINUTES.

CHAIR PALTIN: Okay. Continuing on with reading the instructions. Please be courteous to others, muting video and audio while waiting for your turn. When testifying, please state your name, please also state if you are testifying on behalf of an organization or are a paid lobbyist. If you have joined this online meeting, Staff will assume you wish to provide testimony and will add you to the list of testifiers. Once you are done testifying, or if you wish to view the meeting without providing testimony, please disconnect from the BlueJeans meeting. You may continue viewing on *Akakū* Channel 53, Facebook Live, or mauicounty.us. Once oral testimony concludes, only Councilmembers, Staff, and designated resources will remain online, and all others will be dropped from the BlueJeans connection. A link to the testifiers is posted on chat. Please be mindful that chat should not be used to provide testimony or to chat with others during the meeting. Members, I would like to proceed with oral testimony. And at this time...

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

UNIDENTIFIED SPEAKER: Did they pass the motion?

CHAIR PALTIN: Oh.

UNIDENTIFIED SPEAKER: What did she pass? I just joined and I heard her say everybody in favor.

CHAIR PALTIN: One, folks signed up to testify. So let's see. First up we have Sne Patel testifying on PSLU-34, to be followed by Christopher Delaunay on PSLU-28, and then Bob Hansen on PSLU-34. Go ahead, Sne, we're ready for your two-minute testimony.

. . . BEGIN PUBLIC TESTIMONY . . .

MR. PATEL: Two minute. Okay. Aloha, Maui County Councilmembers. I come before you as a West Maui resident and as a manager and community liaison for one of the largest privately owned vacation rental management companies in Maui County, and West Maui's largest independent vacation rental employer, Maui Resort Rentals. My...I want to express, first of all that, you know, my opposition to PSLU-34. To be clear, neither my livelihood nor the livelihood of the company's 50-plus employees is at stake as the bill directly affects less than 1 percent of our managed properties. Our opposition comes from a much broader perspective. The goal, as stated in Exhibit 1 of the proposed bill, is to create long-term affordable housing opportunities for residents. However, the passage of this bill would effectively eliminate the financial infrastructure needed to build this type of housing. Removal of vacation rental income would shatter a significant portion of Maui's tax influx by depressing both transient accommodation and property tax. Additionally, there's a significant economic impact on the working demographic that serves this market, as well as additional unintended consequences of basically biting the hand that financially feeds it. The population of absentee owners is what I'm talking about. This is a confrontational message that could serve to alienate some of Maui's largest fans and financial contributors, investors, absentee real estate owners. This would no doubt be a step in the opposite direction than that of the aloha spirit we tend to embody. The cost of alienating this demographic is, in my opinion, beyond calculation. I don't think Maui is ready to take such a bold step of displacing our current primary economic engine. We don't have a clear immediate and viable replacement. We must also consider the fact that many households are still struggling or just emerging from the struggle of mitigating the economic damage caused by COVID-19. It's unequivocal that there's a need for more affordable housing options in the local community, but this simply does not seem to fit the bill. As residents, we require parking, storage, and space. The buildings affected by this proposed bills are not ideal for affordable or workforce housing. Many are 30-plus years old and, you know, I know we're not trying to talk about the ones that are next to the water with aging infrastructure, but still, a lot of these properties are old and not set up for what we're trying to intend to get to the market. This will inevitably unintentionally further burden our working community with compromised situations. The decision here will create a sizeable deficit or, if allocated correctly, a great opportunity. By allowing these 7,000-

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

plus units to operate, we will continue to generate reoccurring sustainable revenue for Maui County. Over the course of a few years, it would appear these units will generate revenue in excess of \$100 million. That funding could be used to help construct proposed purpose built affordable housing projects. If creating long-term affordable housing opportunities for residents it truly the overall goal, funding will need to come from somewhere; that somewhere is either our tourists or our residents. I much rather it be the tourists. You know, one of the things is...as a lot of you Councilmembers know, I did the Ka Ipu Kukui Leadership Program a few years ago and, you know, part of that we sat down with a lot of the stakeholders, the developers, some of the bankers even. And I could tell you, consensus on all sides was to create affordable housing projects. It was overall consensus. But the obstacles and burden of land, infrastructure costs, becomes really prohibitive, and each year that goes by, it becomes more prohibitive. So how do we remove some of these barriers? Land is one of the biggest costs. I think...how do we, you know, figure out ways to open up more land for what we're trying to propose and eventually get to our residents, which is more affordable rentals and housing. So in closing, I'd just like to reiterate that I strongly oppose phasing out the transient accommodations in the Apartment Districts of Maui County for the above-stated reasons. Thank you for your time. Aloha.

CHAIR PALTIN: Thank you, Mr. Patel. Members, questions? Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Just a quick question on clarifying one part of your testimony. You...you said that that's not the aloha spirit. Will you please define what you mean by aloha spirit in that context as in, you know, being a doormat to allow people to walk all over me or to continue, you know, exploitation? Like what did you mean?

MR. PATEL: I just think that, you know, the way I look at aloha perhaps, you know, it's always for me inclusive of everyone. You know, I think the...the goal was to create a sustainable balance, right, looking to the future as well. And when I'm talking about the aloha spirit is, you know, bringing together everybody, and looking at it from all sides as well, and coming together to create a solution. And also to...to give people that opportunity to come here, right, and experience that as well. To experience the people, the culture, that spirit. It changes people. And the...you know, the short-term rentals, it does allow for more people to be here. I think, you know, not everybody likes to stay in the hotels. There is an experience that is different when they stay in these TVRs, when they stay in these smaller sort of apartment complexes. They come, they actually engage with the local population through that as well, not just being in those resort areas. So it changes people, you know. And the idea of Hawai'i, you know, for me is when I came here, I changed. I changed immensely, as an individual, as a person. And that's the spirit of aloha, to me, is that change to...to...to give back, not to just be extracted, but to put in and, you know, that's how I'm going to leave this world and in Hawai'i, is to make sure that I put in more than I've taken out. And so yeah, I think the aloha spirit means a lot of different things. And I know I used that and I was probably going to get hey, you know, it's definitely not to run over anybody, definitely not to take away opportunities, but to all of us that come together and find a common solution. But I feel like in passing this, we're...we're...we're removing that demographic of individuals that will come here

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

and perhaps change. And to change people's mind, they have to be physically in front of you and be able to experience what we experience in Hawai'i living here as residents. And this allows that, allows more people to be here. And I know that sometimes that's not the goal, but there's got to be a sustainable way that we accomplish that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Even at the expense of kānaka displacement. Mahalo, Mr. Patel. Mahalo, Chair.

MR. PATEL: I don't believe that.

CHAIR PALTIN: Member Sugimura? Clarifying question. You're muted. We can't hear you because you're muted.

COUNCILMEMBER SUGIMURA: Sorry. What organization did you say you represent in your opening?

CHAIR PALTIN: Mr. Patel?

COUNCILMEMBER SUGIMURA: So yourself --

MR. PATEL: So I...

COUNCILMEMBER SUGIMURA: -- but what...

MR. PATEL: Myself as a community member, as resident of West Maui, but also Maui Resort Rentals. I'm --

COUNCILMEMBER SUGIMURA: Oh, Maui Resort Rentals.

MR. PATEL: -- the (*audio interference*) manager there. We're one of the largest west side resort management companies. We employ over 50 people in our operation, and we're proud to say that, you know...yeah.

COUNCILMEMBER SUGIMURA: Okay.

MR. PATEL: And I'm also the community liaison for them.

COUNCILMEMBER SUGIMURA: Community liaison. Okay. Thank you for the clarification.

CHAIR PALTIN: Thank you, Member Sugimura. Mr. Patel, I just wanted to clarify that you said that "this bill won't hurt me personally." So you don't run any short-term rentals that are in danger of being phased out?

MR. PATEL: Well, so...yeah, I do have a short-term rental, and I don't believe that...yeah, it's not going to hurt me financially. If that went into...one of the things is, if that does have to go into a long-term rental program, we talked about it, we can. It's just that the rental price that we would charge may not be like you said affordable, but at least it'll be

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

something that yeah, could possibly...somebody could rent. It may not be. But the intent of this bill is also to allow exemptions as well, correct, for those that have bought...purchased prior to a certain year; is that correct?

CHAIR PALTIN: I think the exemption is for those in the SLR-XA, within the sea live...sea live...sea level rise exposure area, not a certain year that I...I believe. But...so you do...you do a short-term rental, you're saying, but it's not going to affect you if you have to rent it out long-term?

MR. PATEL: Yeah.

CHAIR PALTIN: Okay.

MR. PATEL: That's what I'm...

CHAIR PALTIN: Thank you for that clarification. Okay. Next up we have Christopher Delaunay on PSLU-28, to be followed by Bob Hansen on PSLU-34, to be followed by Mike Moran on both items. Christopher Delaunay, we're ready for --

MR. DELAUNAY: Yes. Hi.

CHAIR PALTIN: -- your testimony.

MR. DELAUNAY: Great. Aloha, everyone. Aloha, Chair and Committee Members. Chris --

CHAIR PALTIN: Aloha.

MR. DELAUNAY: -- Delaunay with...aloha. Chris Delaunay with Pacific Resource Partnership, I'm a registered lobbyist. So PRP respectfully asks that the...this Committee defer PSLU-28, moratorium on new transient accommodations on Maui, until the public has time to review the Planning Commission and TIG recommendations when available. To my knowledge, the Council has...I guess I have heard, Chair, that you have received it, but I looked on the website and I didn't see anything posted for public review. So it'd be great if the public could have time, more time on this to review those recommendations. As well as when the TIG has their information available, we can also see what the findings and recommendations are from the TIG. Further, we would like to express our opposition for the current bill as written as we believe that it will do nothing to stop tourists from coming to Maui, it will only create a situation where they will seek accommodations in homes located in residential neighborhoods. The development of hotels are already contained within hotel and resort districts, so I say let's not force tourists out of these districts into accommodation and local residential neighborhoods, and maintain the quality of life for residents who live in these neighborhoods. Thank you for this opportunity to testify.

CHAIR PALTIN: Thank you, Mr. Delaunay. And I just wanted to mention that the signed bill that we received from Corp. Counsel that came through the Planning Commission was posted along with the agenda. So whenever folks got the agenda, they would have also

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

got the ordinance. And it's at mauicounty.us/agendas under today's PSLU meeting under PLSU-28. And that was posted at the same time the agenda was posted. So if you were able to pull up the agenda, you should have at that time also been able to pull up the bill.

MR. DELAUNAY: The Planning Commission recommendations were posted, is that what you're saying as well?

CHAIR PALTIN: The bill that came through the Planning Commission, it's Number 7 on Granicus.

MR. DELAUNAY: Okay. I'll check, but I was...I was curious of the recommendations that the Planning Commission provided. I don't...I don't know if you normally post those for public review or not, but I'll take another look.

CHAIR PALTIN: Okay. Yeah, the bill is the Planning Commission's version of the bill. They had rejected Member Rawlins-Fernandez's version of the bill, and instead submitted their own version of the bill that was...they got help from the Planning Department on. So it's no longer Keani's...or Member Rawlins-Fernandez's version of the bill. It's the bill that came through the Planning Commission and was signed by Corporation Counsel. Number 7 on Granicus. Chair Lee?

MR. DELAUNAY: Great.

COUNCILMEMBER LEE: Clarification question for the testifier.

CHAIR PALTIN: Sure.

COUNCILMEMBER LEE: My understanding, I thought I heard you say you are...were requesting or wanted an opportunity to read the minutes or the commission report, not necessarily the ordinance. Was I correct? Did I hear that?

MR. DELAUNAY: Oh, yes. Yes. I believe that is part of the recommendations and so forth, and I think...you know, I...I reviewed the...the...I watched the Planning Commission, it was very confusing. There was a lot of motions that were killed, this and that. So yeah, the minutes would be very helpful, and that's what I'm asking for so I can --

COUNCILMEMBER LEE: Okay.

MR. DELAUNAY: -- see what the discussion was and what, you know, actions --

COUNCILMEMBER LEE: Okay. Thank you.

MR. DELAUNAY: -- and recommendations (*audio interference*)

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER LEE: Thank you. So what we can do is request that information. I understand the meeting was like five or six hours myself, so that...that's a lot of discussion. Thank you. You've answered --

MR. DELAUNAY: Yeah, thank you.

COUNCILMEMBER LEE: -- my question.

MR. DELAUNAY: Okay. Thanks.

CHAIR PALTIN: Member Sugimura, did you have a question as well, clarifying?

COUNCILMEMBER SUGIMURA: That was going to be...that was going to be my question also, to ask Mr. Delaunay his use of the word recommendation, did he mean minutes. So sounds like that's the...what he meant. So thank you.

CHAIR PALTIN: Okay.

MR. DELAUNAY: Yes, it is. Thanks.

CHAIR PALTIN: Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Mr. Delaunay, you're...you're a lobbyist, right?

MR. DELAUNAY: Yes, I'm a registered lobbyist.

UNIDENTIFIED SPEAKER: So were there very many people at that Zoom meeting? Very many people at that Zoom meeting?

CHAIR PALTIN: If everyone can please...

UNIDENTIFIED SPEAKER: Nine altogether, counting the two officers.

CHAIR PALTIN: Mr. Harry Hetch, if you can mute yourself, that would help our cause. Thank you. Okay. Sorry. Go ahead, Mr. Delaunay and Ms. Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Really quick. So...so you...you...as a lobbyist, you understand government processes.

MR. DELAUNAY: Yes, I do. *(audio interference)* Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: So when...when...when you...you said you do? Okay. So...

MR. DELAUNAY: Not...not every little...with the Planning Commission on Maui, yeah, not so much. But other...other *(audio interference)*

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER RAWLINS-FERNANDEZ: So you watched the meeting...you said that you watched the meeting.

MR. DELAUNAY: Yes, I watched the meeting.

COUNCILMEMBER RAWLINS-FERNANDEZ: And that --

MR. DELAUNAY: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- you were confused. And so...

MR. DELAUNAY: Most...most of the meeting, yeah, but not the whole entire meeting.

COUNCILMEMBER RAWLINS-FERNANDEZ: The meeting minutes...the meeting minutes would likely not help unconfuse you, right? So in your testimony, you asked for the comments from the Planning Commission and I think you meant the comments and the recommendations, not the minutes.

MR. DELAUNAY: Well, actually the minutes, comments, everything, recommendations, so I can actually read them. And I...and I believe, knowing Government, I think the Sunshine Law will require those to be posted. And so it's the public's right to have that information and to make informed and meaningful decisions and discussions for these Councilmember meetings. So I --

COUNCILMEMBER RAWLINS-FERNANDEZ: Absolutely.

MR. DELAUNAY: -- I highly recommend that the public gets to see the minutes, as well as all the recommendations from the Planning Commission.

CHAIR PALTIN: Okay. Thank you. Just a statement that we are in full compliance with the Sunshine Law. We're not breaking any laws. Is there any further clarifying questions?

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, just the comments and the recommendations are posted with the bill, as you informed Mr. Delaunay, as Granicus item 7 under that agenda item.

MR. DELAUNAY: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

MR. DELAUNAY: Okay. Okay. I would like to see the minutes. Thank you.

CHAIR PALTIN: Okay. Next up we've got Bob Hansen on PSLU-34, to be followed by Mike Moran on both items, to be followed by Pamela Tumpap on both items. If everyone that is not speaking can mute themselves, that would be great. Mr. Hansen, I'm not sure if you're watching the meeting on another device, but there seems to be feedback.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. HANSEN: I'm sorry.

CHAIR PALTIN: *(audio interference)*

MR. HANSEN: Okay. Can you hear me okay?

CHAIR PALTIN: Yeah.

MR. HANSEN: Yeah. Okay. So I'm here and, you know, I know that most of you Councilmembers and I appreciate...I really do appreciate what you're doing in trying to create long-term housing for, you know, Maui residents and long-term residents of Maui. But I truly believe that this is the wrong way to go about it. I think that it's illegal, number one. Back...you know, a few years back when we...I helped Dave DeLeon codify and, you know, the Council codify the Minatoya decision, it was...you know, that was...you know, it was a Minatoya opinion and then it was a...you know, a legal opinion, and now it's...now it's codified. So I think doing that is absolutely the wrong thing to do for our people who own properties and who vacation rent them through the process that the Council has promulgated. And to take that away after it's sold, it really reduces the value of the property more than 50 percent, really. I mean, I...my...I have lived here for 33 years, my sons have grown up here, they're involved in TVRs, and I think that would be a travesty to...to take that away. The way to...a number of years back, John Anderson and myself started Na Hale O Maui. So I am for...I personally started the company of Na Hale O Maui with my own personal contribution of \$20,000. I am all for, you know...and this is for in perpetuity, low-cost housing. So that's one way to do it. There's tons of ways to do it. But taking away the Minatoya codification is absolutely the wrong way to do it. I think you're going to...I think...I've seen some numbers, you can all look at them, you're going to reduce the credit rating of Maui County. You're going to take way less in transient accommodations tax, GET...well, you'll still have GET tax. The Minatoya...well...well, I feel taking away Minatoya is an affront to the property rights of the residents of...of Maui, and the owners of property on Maui. I think, you know, making let's just say oceanfront properties, it's not going to reduce the AOA maintenance fees, it's...you're still going to have the same maintenance problems, whether it's long term or short term. They only have one parking spot, you know, because it was built for vacation rentals way back then. And . . .*(timer sounds)*. . . I just think it's the wrong thing to do. Thank you. I appreciate your listening.

CHAIR PALTIN: Thank you, Mr. Hansen.

MR. HANSEN: *(audio interference)*

CHAIR PALTIN: We have one clarifying question from Member Sinenci. Member Sinenci --

COUNCILMEMBER SINENCI: Mahalo, Chair.

CHAIR PALTIN: -- you're muted.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER SINENCI: And...

CHAIR PALTIN: Okay. You're good, we can hear you.

COUNCILMEMBER SINENCI: Yeah. And not so much a question for Mr. Hansen. Mahalo, Mr. Hansen, for your testimony. But he did...I did want to address a comment he said about this being illegal, and I don't know, Chair, if this is the right time to address our Corporation Counsel or...or maybe at a later time we can address the comments about the legalities of it. Thank you, Chair.

CHAIR PALTIN: Yeah, yeah. When we get to discussion, if...if we need to go into executive session, we can. But if there's --

COUNCILMEMBER SINENCI: Okay.

CHAIR PALTIN: -- no further questions for Mr. Hansen. Thank you so much for your testimony. Next up we have Mike Moran testifying on both agenda items, to be followed by Pamela Tumpap and Lucienne de Naie, also testifying on both agenda items. Good morning, Mr. Moran. We're ready for your two minutes, I guess --

MR. MORAN: Good morning...

CHAIR PALTIN: -- per agenda item.

MR. MORAN: Good morning, Chair. And yes, thank you for clarifying that. That's what I expected, it's two minutes per item, but I will try and encapsule everything much more quickly. First, just so we're on the record, on PSLU-34, KCA has not taken any position. It's a brand-new item, and when people say well, what do you think? Well, there's a lot to go yet, even before it goes to...to the Planning Commission. So we have no position on it. We're here to listen, to learn, and watch what modifications come on. On the other PSLU-28, we continue to support that. We have supported it all along. So we're on the record where we stand on the two. And Chair, I want to commend you for taking the time at the beginning to explain so many details. One of the reasons we have no position is we have found so much confusion in the community, as you expressed you're getting in testimony. And unfortunately, it's not only on these two, many folks were confused when there was a different moratorium bill. And I've had so many people tell us, I remember that, that passed; oh no, this a different one. And then added confusion is the other matter on assigning identification numbers to these in the Apartment zone. So the...for...and, you know, obviously you guys know what are going on, and many of the professionals who do it as full-time, but the general community, understandably, when they're doing two jobs and kids and all, it gets very confusing. So thank you for making that effort to...to explain at the very beginning. I think that that's most helpful. And the one that we do have the position on, we feel that a comment was made way back when that when you're in a hole--and I think most people that live here say yes, we're in a hole . . .*(timer sounds)*. . . over the top on...on visitors. So we have to do something about it, so let's take a pause while we're...while we're considering it. And

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

we think you're doing the right thing. And I said I'd try and limit it to two minutes, so I will. Thank you for the opportunity to testify for KCA. Aloha.

CHAIR PALTIN: Thank you, Mr. Moran. From your testimony, I feel like you really understand the process.

MR. MORAN: Thank you.

CHAIR PALTIN: Members, any clarifying questions for Mr. Moran? I think he gets everything, and he totally understands what's going on. Okay. Next up we have Ms. Tumpap, to be followed by Ms. de Naie, and then Mister...oh, Mr. Cook dropped off the call. So after that would be Don Brattin. And Ms. Tumpap is testifying on both items, so she has two minutes per item. Ms. Tumpap? If you can unmute yourself, we're ready for your first two minutes of your testimony.

MS. TUMPAP: Okay. Awesome. Thank you so much. Aloha and gunaydin, Committee Chair Paltin, Vice-Chair King, and Members of the Planning and Sustainable Land Use Committee. You know, we have been and have shared that we are opposed to a moratorium. While we always appreciate efforts to get more affordable housing and rentals, and like ideas to explore new ways to do this, we're not sure the housing exemption will really work, and we're curious to know about the discussions that might have been had with the industry, how they feel about that exemption, and if they see that as a feasible option. We're also concerned by the negative impacts that this would have on residents, businesses, and the entire community. Because you know, moratoriums are not flexible. We do feel that a great deal of work was done on the Maui Nui Destination Management Action Plan, the DMAP, for the islands of Maui, Moloka'i, and Lāna'i. And work is now underway. And we feel this would be a great way for the Council to focus on efforts there, to look at other measures that can be done while we look at ways to better manage our visitor industry. There was discussion during the Planning Commission meeting about the DMAP, but I want to point out that no moratorium was discussed during the DMAP process, and it is not mentioned...moratorium is not mentioned in the action plan. And it's important to realize that so many industries were built around the visitor industry because they could be created to leverage that industry and create other jobs. So we want to understand the broader economic impact. We've heard Paul Brewbaker mention negative economic impacts, and we feel it would be incumbent, before we put a moratorium in place, to reach out to Paul Brewbaker, Dr. Carl Bonham of UHERO and others to fully understand any negative impacts to avoid unintended consequences. And again, we feel that the rationale for a moratorium is still lacking, that we feel more evidence needs to be provided to show that the moratorium is the best way to go, because certainly we don't feel it's the only way to go. And then ultimately, again, we don't feel it will stop visitors from traveling to Maui. And while we're trying to allow legal vacation rentals and address illegal vacation rentals, we want to make sure that we get clear that this . . . *(timer sounds)* . . . won't help stop that.

CHAIR PALTIN: Thank you, Ms. Tumpap.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MS. TUMPAP: So thank you.

CHAIR PALTIN: Feedback.

MS. TUMPAP: I'm not sure what that feedback...

CHAIR PALTIN: Is anybody else unmuted besides us two? It seems to have stopped.

MS. TUMPAP: Somebody will...oh, okay. So thank you. So we just ask that this be held at this time and defer this back to Committee. And then if I may testify on PSLU-34. You know, your comments this morning were wonderful, and we appreciated you running through the numbers. And we thought this bill was really about creating more...more affordable housing and rental units. And while we are strong advocates for more affordable housing and rental units, we don't believe this is going to be the way to increase inventory. As you mentioned, the...the area where these units are in is a high-cost area, and so many of these units have common area maintenance. There is limited parking, as has already been discussed. There is limited play spaces for families. They weren't built for that type of use. And again, you know, the question is, how do we try and fit, you know, a square peg in a round hole. You know, there's going to be higher costs, and is the County going to subsidize this if they look at doing that? It's also important to look at, as has also been discussed, the TAT and County real property tax revenue loss, especially in this critical time when we're hoping to use some of that revenue to create affordable housing and rentals in right areas with the appropriate parking, where people can have play spaces for their children. We've heard numbers that we could potentially lose an estimated 74 million in real property tax revenue for the County, and an estimated 69 million in TAT revenue for the State. I don't have the numbers to back that up, it's just information that we've seen. But we also feel that this bill does not allow for property title transfer even within a family, and that's unconscionable to us. Families have made an investment in these businesses, whether they use it as a vacation rental business for their family, whether they are staying part-time and renting it out at other times. And you're eliminating generational opportunity for their family members. So for these reasons, we oppose this bill, and ask that it be deferred now instead of taking the time to move it forward to the Planning Commission. We feel there's other better ways to achieve affordable housing and rentals in planned areas where they can really meet the need. And mahalo for the opportunity to provide testimony.

CHAIR PALTIN: Thank you, Ms. Tumpap. Member Sugimura, clarifying question?

COUNCILMEMBER SUGIMURA: Thank you. Thank you, Chair. Thank you, Pam, for testifying. Can you repeat the numbers on PSLU-34 that you mentioned, the losses?

MS. TUMPAP: So we're hearing, in terms of real property tax revenue to the County, 74 million, and an estimated 69 million in TAT revenue. But we'd need to defer to the industry experts and economists to verify that.

COUNCILMEMBER SUGIMURA: Okay. Thank you. Thank you very much, Pam.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MS. TUMPAP: Thank you.

CHAIR PALTIN: Any further questions for the testifier? Seeing none. Thank you so much for your testimony today.

MS. TUMPAP: Thank you. Mahalo.

CHAIR PALTIN: Next up we have Lucienne de Naie, and it looks like Tom Cook is back online, and then he will be followed by Don Brattin. Go ahead, Ms. de Naie, we're ready for your two items, two minutes each. Go ahead.

MS. DE NAIE: Aloha. Thank you all for the work that has been put into both of these concepts. I'm testifying first on Item 28 on behalf of the Sierra Club Maui group. Sierra Club Maui group strongly supports getting some solution to reach the goals that were set in our community plan and our Maui Island Plan. These are not new goals, these same goals of...of trying not to exceed the highest percentage of visitors in the State, one-third of the people on this island every day are visitors, and two-thirds are population. But of course, as we know by the numbers, that's really been overrun. Those very, very same parameters were in our 1990 General Plan. This is not a new idea. We have had moratoriums before. We have had a number of moratoriums, mostly like this as proposed, short term. The reason these moratoriums were proposed was to try to work out solutions. Did everyone hit the...the golden bullet, the silver bullet? Probably not, but improvements were made with each moratorium because we had a timeout to try to figure stuff out. So to postpone this decision and just continue to build doesn't really make a lot of sense. It's kind of like the adage of to keep doing what you've done before is sort of crazy if you expect a different result. We also really want to mention that our visitor industry is going to go on. We have thousands and thousands of units. Will too many people come and overwhelm all of our housing? Well, none of us has a crystal ball, but that I believe . . . *(timer sounds)* . . . does have regulation of its own. *(Audio interference)* moving forward. Thank you.

CHAIR PALTIN: Thank you. We're ready for your next item, an additional two minutes.

MS. DE NAIE: Very good. I'm moving on to the proposed Minatoya conversion. And I'm testifying as a private individual, Sierra Club has taken no stand on this. Like Mr. Moran said, it's been a little confusing to try to figure out what is proposed, where, and how. It does seem...and a full disclosure, Sierra Club groups come here and rent condos in Nāpili and sometimes South Maui and bring service groups over to have people on vacation for ten days, and six of those days they work on projects here on Maui and give back to the 'āina. So Sierra Club does depend on having access to some affordable short-term rentals for visiting national Sierra Club groups. That being said, this bill...the direction it's taken, it's a good idea to see where we can find the low-hanging fruit, where we can find units that could be affordable if there was incentive to make them available to people that live here. If units are in an area where the...the homeowners' fees and the expenses are going to be exorbitant, they probably are not likely candidates for our local people here to rent. It's just going to be priced out of the

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

market. That's why the people who do live here and rent them out need to do the higher basis of vacation rental, but there probably is some opportunity. The point is to try to get it right. And it seems like the phasing of point of sale is a very, very slow process, and is not going to overnight affect our tax base. So I think sending it to the Planning Commission really makes sense so we can try to get . . . *(timer sounds)*. . . that body and bring it back. It's going to be discussed for some time. Mahalo.

CHAIR PALTIN: Thank you, Ms. de Naie. Any clarifying questions for the testifier? Member Sugimura?

COUNCILMEMBER SUGIMURA: Yeah, I do. Thank you, Lucienne. I...on...on PSLU-34, you're calling it the Minatoya bill. One of the things you said is that direction is good to find the low-hanging fruit, and you also mentioned that AOA or fees for different areas would...the homeowner fees would be too high maybe for local residents. So I think we're looking at the SLR-XA area, so are you saying that maybe those are not the right areas for low-hanging fruit? I'm confused maybe.

MS. DE NAIE: Well, the low-hanging...thank you. The low-hanging fruit would be areas where the AOA fees are reasonable, and there are such. There's been a lot of data gathered on this. We...we have...we have at hand the places that would make sense. And they might even make sense for the County to buy out and keep as...as blocks of...of affordable rentals just, you know, to have a stock always on hand. But in the sea level rise area, a lot of the maintenance fees, especially on the...the older buildings, are high.

COUNCILMEMBER SUGIMURA: Right.

MS. DE NAIE: You know because you have all of those weather-related upkeep to deal with. Yes.

COUNCILMEMBER SUGIMURA: Right. Okay. So you're basically saying that's the wrong area then for lower fees? Okay. Thank you.

CHAIR PALTIN: Okay. Staff wanted me to make an announcement that those who are not on the testifier list or who have already testified will be dropped from the call because it's difficult to monitor all the opening...open mics when the list is like this long. So if you have already testified, or if you're not wishing to provide testimony, please watch through one of our other mediums, whether it's Facebook Live, mauicounty.us/agendas, or Akakū Channel 53. So next up we'll have Tom Cook, who's back online, to be followed by Don Brattin, and then Brent and Mitchell. Tom Cook, we're ready for your two-minute testimony. If you're still online...Tom Cook?

MR. COOK: I am online. I can...can you hear me?

CHAIR PALTIN: Yes, we can. Go ahead, you've got two minutes.

MR. COOK: Okay. My video is not working, but I don't think that's important.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: We can hear you.

MR. COOK: Thank you...thank...thank you for having this discussion. I'm requesting that you defer PSLU-28. I am very supportive of limiting and managing tourism. Before COVID, tourism was completely out of control. I feel my own personal quality of life, my family, work, traffic, everything. Subsequently, where we're at now, I think tourism is somewhat on its heels, it's going to take time to recover. This particular moratorium, I don't understand what particular projects are in the pipeline that are going to be built within the next year or two that this would affect. Getting...getting...going through the land use and permitting process to establish a new hotel is a very lengthy process. There's many, many layers of review by the community and by Government. So I ask that you defer this, and the reason I'm saying defer is because I think it's an important issue that needs to remain in discussion, and hopefully a broader basis of the community can come to grips and agreement on it. So that's my testimony on PSLU-28. I would like to give testimony on PSLU-34.

CHAIR PALTIN: Okay. Begin.

MR. COOK: I'd like to see a...okay, I am not a big advocate of transient vacation rentals, just go on the record. I think that we left open Pandora's Box when we allowed it to happen in residential areas. I do think that the...this particular...my understanding of this legislation is pretty restrictive and contentious. I would like to see us focus on building more affordable units for rental and ownership for local people, and that you...this money...although I don't...I live in Kihei, so I deal with the traffic and I deal with the tourists all the time. But I would like to keep this income stream into the County coffers so that we could be in a better, stronger position to...to work together as a community to get housing built. I hope to be working closely with the Government because I have a lot of good ideas since I'm a builder. Thank you for the opportunity to weigh in on that.

CHAIR PALTIN: Thank you, Mr. Cook, for your testimony. Members, any clarifying questions for the testifier? Seeing none. Thank you so much. Next up we have...

MR. COOK: Have a great day. Aloha.

CHAIR PALTIN: You, too. Next up we have Don Brattin, who will be followed by Brent and Mitchell, and to be followed by Christian Tackett. Hello, Mr. Brattin. We're ready for your two-minute testimony. Go ahead.

MR. BRATTIN: Thank you very much, Council. I appreciate all your hard work. I wanted to let...I think Alice Lee hit it on the head a moment ago, a lot of this is going to be redundant. So this probably will be as well, I'll try to make it short. I...I've owned in Maui since...over 25 years now, and lived up in Nāpili. But as far as the PSLU-34, I...I have to say that...and it's been said before already, but we don't have much parking, we don't have storage spaces, we don't have a lot of things except extremely high dues and...association dues I'm talking about. In particular, a two-bedroom, for instance, in our resort is roughly \$865, something like that, plus special assessments, putting

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

everything over 1,240 some dollars. So the bottom line is, it doesn't make it very affordable for the local residents. And the taxes, that's the other thing that they will greatly be reduced to the County. And the County residents and the off-island owners will feel a tremendous negative impact. In my opinion, the hotels are about the only people that are going to win if this should go on and pass. Thank you very much.

CHAIR PALTIN: Thank you, Mr. Brattin. Members, clarifying questions for the testifier? Member Sugimura?

COUNCILMEMBER SUGIMURA: Mr. Brattin, are you still there?

MR. BRATTIN: Yes.

COUNCILMEMBER SUGIMURA: Thank you...oh, thank you very much --

MR. BRATTIN: I am.

COUNCILMEMBER SUGIMURA: -- for sharing with us your fees. So you're saying the 1,200...could you explain the \$1,200 fees that your association charges?

MR. BRATTIN: Yes. And actually...yeah. The association dues are roughly \$865 for a two-bedroom. The special assessment is the other portion, which brings it up over \$1,200. And this was a total renovation of our resort very recently. So it's as up to Code as a 35, 40-year-old resort can be.

COUNCILMEMBER SUGIMURA: And can I ask you the name of the property? Is it on the shoreline?

MR. BRATTIN: Polynesian Shores.

COUNCILMEMBER SUGIMURA: Poly...

MR. BRATTIN: Yes.

COUNCILMEMBER SUGIMURA: What did...Polynesian Shores, is that...

MR. BRATTIN: Polynesian Shores. Yes.

COUNCILMEMBER SUGIMURA: Okay.

MR. BRATTIN: Yes. And we work with --

COUNCILMEMBER SUGIMURA: Thank you very much.

MR. BRATTIN: -- the County...you're welcome.

COUNCILMEMBER SUGIMURA: Thank you.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Member Sinenci has a question for you, Mr. Brattin.

COUNCILMEMBER SINENCI: Oh, is Mister...

CHAIR PALTIN: Go ahead, Member Sinenci.

COUNCILMEMBER SINENCI: I think we lost Mr. Brattin. But I wasn't sure if...oh, if Member Sugimura asked if it was in the SLR-XA. Did he answer that one?

CHAIR PALTIN: Polynesian Shores --

MR. BRATTIN: It is.

CHAIR PALTIN: -- is...is within the sea level rise exposure area. So in Member Rawlins-Fernandez's version, it won't be affected if that version goes forward, it would still be able --

COUNCILMEMBER SINENCI: Okay.

CHAIR PALTIN: -- to continue.

COUNCILMEMBER SINENCI: Thank you.

CHAIR PALTIN: Just clarifying. Okay. Any further questions for Mr. Brattin? Seeing none. Thank you so much for your testimony today. Next up we have Brent and Mitchell, to be followed by Christian Tackett, to be followed Mikey in Maui. Brent and Mitchell, if you're on the line, we're ready for your two-minute testimony. Brent and Mitchell? Are they still on? I don't see Brent and Mitchell still on. Okay. Next up Christian Tackett, PSLU-28, to be followed by Mikey in Maui. Christian Tackett, are you on the line?

MR. TACKETT: Yes, I am. Good...good morning --

CHAIR PALTIN: Oh --

MR. TACKETT: -- everybody.

CHAIR PALTIN: -- Commission Chair Tackett. We're ready for your two minutes.

MR. TACKETT: Good morning, *(audio interference)*. So thank you, thank you so much for your time and thank you for all you do. And I'm going to make it fast because I know it's...it's a two-minute thing. But yeah, as far as the transient vacation rentals...I mean not the transient, but the moratorium, I'm in favor of some of it and then I'm opposed to some of it. And...and I'm...I'm a product of the public school system, Wailuku El, Īao, Baldwin. I have a child of Hawaiian descent. Like I'm...I'm connected and I...and I...and I love what we got, and I'm sad of what we miss. But I was fortunate to get into the Carpenters Union when I was 19 and...and what I can tell you about that is that's...that's your old

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

timers. Like I was the only haole there at that time, and you're talking about three, four generations of...of families that are...that are surviving on that, and...and if they lose their ability for like more than a year or two years and they have to sell their houses, they will not be able to buy again. And I think the reason the prices are the way they are is because people are renting out their houses. You know what I mean? I think if you...if you look at the big union projects that come in, and they...and they take kids from our schools, and they pay locals from our neighborhood, and then they come in and they promise to build houses for...for our community, and they're like on an infill project, then that would be something you guys should consider. And if...if they don't, if they...if they come in like maybe out of state, and they're going to bring their own people, and they're going to send all their revenue back to wherever they're from, then that ain't helping any of our kids, you know what I mean? And that ain't helping any of the locals stay. So I just...I just hope that whatever you guys decide to do, that it...that it takes care of...of...of the people that survived with the...with the opportunities that were here and...and they weren't a lot. And I saw the old timers and the opportunities they got, and that's why I chose my path. And...and...and they're just...they're older than me, and they're just trying to get to their retirement . . .*(timer sounds)*. . . and I would hate to see those opportunities go away. But thanks, you guys. I appreciate what you do. And...and...and thanks...yeah, thank you for everything, so...

CHAIR PALTIN: Thank you, Mr. Tackett. We appreciate what you do as well. Member Sugimura, did you have a clarifying question?

COUNCILMEMBER SUGIMURA: I do. So I want to kind of understand your testimony. Nice to see you here, very much. Thank you also for being Planning Commission Chair. So basically you're saying that the Carpenter Union has, and you've met with or worked with a lot of old timers, and you think that this moratorium bill will take jobs away? Is that what you're saying?

MR. TACKETT: Yeah. So I...I mean, I get a lot of people that say hey, construction is booming. And yeah, if you look at people that moved from the mainland and started their own little company and build one house at a time and then sell to rich people, you know what I mean? But if you look at...if you look at the local workers, you know, the ones that came through high school, went to trade school, got a trade and...and...and applied a trade, those are very specific projects. You know, those are...those are your...your schools, your big hotels, and...and...and maybe a big hotel doing an infill would be acceptable, you know. But if they're going to...it just depends on what they're going to do. Like are they going to build something for the local people, are they going to help improve the...the road for the local people? If they're not, then...then shut it down, you know what I mean, because it's not helping us. But I think that you should leave your...your options open. But most definitely, it would...it would affect the...the old timers that are trying to get to retirement because they're...they're...they're real close, you know, they're like 10, 15 years older than me, you know, and they're like the first wave, you know. Actually, like the third wave, but the first wave to me because they were the ones that taught me, you know, they were the ones that helped me, so...

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER SUGIMURA: Okay. I understand what you're saying. Thank you. Thank you very much.

CHAIR PALTIN: Chair Lee --

MR. TACKETT: Thanks, you guys. Have a great day.

CHAIR PALTIN: -- clarifying question...oh, Mr. Tackett, Chair Lee --

MR. TACKETT: Oh.

CHAIR PALTIN: -- has a clarifying question for you.

MR. TACKETT: Sure. Thank you. Thank you, Chair.

CHAIR PALTIN: Oh, you're muted though. We can't hear you, Chair Lee.

COUNCILMEMBER LEE: Okay. I'm sorry, I was muted. I didn't realize you were the Chair of the Planning Commission. And you said in your testimony that you're for it and you're against it, the moratorium bill. So what...what do you mean by --

MR. TACKETT: Yeah, correct.

COUNCILMEMBER LEE: -- you're for it and you're...I mean, is that...

MR. TACKETT: So...

COUNCILMEMBER LEE: Was that --

MR. TACKETT: So...

COUNCILMEMBER LEE: -- only your...your --

MR. TACKETT: Sorry for --

COUNCILMEMBER LEE: -- point of view?

MR. TACKETT: -- sorry for...oh, go ahead, sorry for interrupting.

COUNCILMEMBER LEE: No, I...no, I just wanted to get a sense of...of that meeting that day. I mean, you know, actually --

MR. TACKETT: So I'm...

COUNCILMEMBER LEE: -- you were in the minorities.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. TACKETT: Yeah. So as...as an individual, I didn't actually get my way, you know, and then I am for it or against it, and I understand the...the process that you don't always get your way. But what I'm saying is...is I'm for trying to get the...the housing back under control and...and getting people a place where they can raise kids and...and...and have an affordable rent, but I don't think that if you...if you squish the projects that...that create affordable...that offer to create affordable project...affordable housing and the ones that employ generational workers, you know what...that have been working in this trade from...I mean, there...I still know guys that are in the trades from like the '70s, you know what I mean? Like there's...there's old school Maui people, you know. Like if you look at the...the...if you look at the all the Council, most of the last names in your Council I have seen in...in my membership. You know, it's...it's...it's local people, so I'm...that's what I'm saying is like I'm for getting it back, but I...I don't think that...that...that squishing the projects that...that do...that do make affordable housing or that do employ the people that have been surviving on Maui...and it's been rough, you know, like it's...it's rough to support kids here, you know. I've...I've done my best and I definitely have to do --

COUNCILMEMBER LEE: Thank you.

MR. TACKETT: -- without quite often. So thanks...thanks, you guys.

COUNCILMEMBER LEE: Thank you.

CHAIR PALTIN: Thank you, Mr. Tackett. Any further questions for the testifier? Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Mr. Tackett, and mahalo for your testimony this morning and joining us.

MR. TACKETT: My pleasure. Nice smile.

COUNCILMEMBER RAWLINS-FERNANDEZ: You, too. Mahalo for your clarification. I...I watched the meeting and, you know, I appreciate your points and advocating for, you know, the...the generational folks that have been in the industry for a long time and are to retire soon. So my...my question is regarding the very specific projects that you cited as the projects that provide folks like you jobs. So it's...am I...am I correct in hearing that they're very like specific projects and not all the projects? Because you're saying don't conflate the projects that do benefit the union folks like yourself with the projects that don't provide affordable housing, that don't employ local residents. And...and...so is that correct, that it's very specific projects?

MR. TACKETT: Correct. So your...your...your contractors that...that...that decide to go union, they...they...they pay medical and they...and they take from a pool of workers that are from Maui County. Whereas possibly a prevailing wage person could come in from out of state, could bid from out of state, could get it, could bring all their people from out of state. Or a non-union person could come in and they could come in and get any kind of project and then they could pay the guys anything, including cash, not even give them

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

medical, not give them anything that...that makes for a healthier environment for their children or for their spouse or anything like that. So there's...there's just a tiny demographic of...of...of contractors that...that provide that type of living for local people and...and...and that's basically just that one little group, you know, so...

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that clarification, Mr. Tackett. And mahalo again for joining us.

MR. TACKETT: My pleasure. Have a great day, you guys.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. You, too.

CHAIR PALTIN: You, too.

MR. TACKETT: Aloha.

CHAIR PALTIN: Thank you. Next up we have Michael Trotto, whose handle is Mikey on Maui...Mikey in Maui, PSLU-34, to be followed by Jason Economou, and then Tina Wildberger. So right now Michael Trotto, if you're on the line, we'll hear your two minutes on PSLU-34.

MR. TROTTO: Thank you, Chair. Can you hear me?

CHAIR PALTIN: We sure can. Go ahead.

MR. TROTTO: Okay. Thank you for the opportunity to testify today. My name is Michael Trotto, I'm a resident of Kihei. I've been here a long time, over 40 years. I'm speaking to you as a taxpayer, I'm speaking to you as a voter of Maui. And I wanted to tell you that as a voter of Maui, we...we vote for you folks to do...to be our fiduciaries, to be fiscally responsible, and what I see in this measure of PSLU-34 is you're putting in place a measure that can reduce your ability or the County's ability to generate revenue. And you heard a number earlier like 75 million or 74 million, that number is pretty accurate. These properties, these Apartment District properties that got codified, it took about eight years to get them codified. These folks believed, and they were doing the right thing, they are legal vacation rentals. And this measure kind of pulls the rug out from under them, and I feel that that's unfair. And it's going to reduce your ability to generate revenue, and that's not what we voted for you to do. So that's where my point is. Think about this really carefully. I'm sure not all of these are going to go away tomorrow, that's...that's ridiculous, but you're putting a measure in place, if this passes, that will reduce the County's ability to collect revenue, and that should not happen. That's physically...or fiscally irresponsible to do that. We have these properties, they're...they're helping the County. Their money, the TAT money, all the money that's generated, the higher tax level that they are at, vacation rental tax level, that helps this County, so you should not do anything to abridge that. So that's my point. Please look at this from a fiscal point of view, and also from a fairness. You know, there's an underlining thing in your...that's not written probably, but it says do no harm, and this does harm. It does harm to the owners of those properties, and it does harm for the

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

people of Maui, the taxpayers and the voters of Maui in the long run. And I'm looking at the long-term, down the road when maybe my income will be less and I'll have a harder time affording to pay for County services. Don't do anything to upset that. I...I ask you from that point of view. So look at PSLU-34 and say look, this is our cash cow for Maui County, let's keep it in place and look at other ways we can help our residents. I have been a founding member of Na Hale O Maui, I sat on the board . . . *(timer sounds)* . . . for six years. I know how to...what the home people in Maui County need, and it's not these apartments. Thank you very much.

CHAIR PALTIN: Thank you, Mr. Trotto. Member Sinenci has a question for you, clarifying.

COUNCILMEMBER SINENCI: Mahalo...mahalo, Chair. And mahalo, Mr. Trotto, for your testimony this morning. I just wanted to clarify, would you consider this bill...and...and just from your testimony, that it is somewhat of a takings? Is that what you're saying to us, that should we pass this?

MR. TROTTO: I believe that's kind of a question for Corporation Counsel. I'm not an attorney so I could not answer that. But --

COUNCILMEMBER SINENCI: Okay.

MR. TROTTO: -- what it is, is if you...if one of these apartments becomes...

CHAIR PALTIN: Mr. Trotto, if you can't answer the question then we're going to move on because we have a --

MR. TROTTO: Okay.

CHAIR PALTIN: -- lot of folks waiting to testify.

MR. TROTTO: Oh, yeah, I'm sorry.

COUNCILMEMBER SINENCI: Thank you.

MR. TROTTO: I'm sorry. Yeah, yeah.

COUNCILMEMBER SINENCI: Thank you, Chair.

CHAIR PALTIN: Thank you so much. And at this time I'd like to welcome Councilmember Tasha Kama from the neighborhood. Gunaydin and aloha kakahiaka.

COUNCILMEMBER KAMA: Aloha, Chair, and thank you for the morning greeting. And aloha to all of my colleagues also. Thank you.

CHAIR PALTIN: Thank you. Next up we have Jason Economou, to be followed by Tina Wildberger, and then Andrea Clur. And at that time after Ms. Clur, let's take our morning recess. So Jason Economou --

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. ECONOMOU: Yes, good morning.

CHAIR PALTIN: -- if you're on the line, you have two --

MR. ECONOMOU: Thank you for...

CHAIR PALTIN: -- minutes.

MR. ECONOMOU: Good morning, Chair Paltin. Thank you for the opportunity to testify. My name is Jason Economou and I am testifying in my capacity as Government Affairs Director for the REALTORS® Association of Maui. I want to try and...I'll try and be brief. There's a lot of reasons why we oppose this legislation. First and foremost, as Mr. Trotto said, it really is about revenue. Your own Finance Director, on October 21st, said that, and I quote, "This would possibly lead to a negative revenue change at about \$23 million per year if the TVRs are phased out." Based on property tax statistics that were released by the Maui of County [sic] for Fiscal Year 2021 and 2022, that's how we calculate that the overall property tax revenue generated by these properties is about \$74.7 million. Your Comprehensive Affordable Housing Plan that you guys paid for calls for an increase of funding of about \$58 million to the Affordable Housing Fund. \$74.7 million equates to almost 9 percent of the entire County budget for last year. So if you punch a hole in your budget that's, you know, about 8.7 percent of the budget, not only does that jeopardize the County's bond rating, but it'll make it impossible to fund the affordable housing plan, which will actually provide housing for our residents that they need, not just these condos. But I want to jump from the economics in the housing plan to the legal issue. The issue of a taking might relate to the diminishment in value of these properties. Some folks are estimating that it could be 50 percent, some folks say it can only be 30 percent, and some folks say that it might be 70 percent. We'll have to wait and see how...how these properties are diminished and...and what the mortgage lenders, you know, how they react if they suddenly think that their collateral is worth way less than the mortgage that they just approved. So that can trigger a financial crisis. But aside from that, this is all based on Hawai'i Revised Statutes authority given to the County saying that you can get rid of nonconforming . . . (timer sounds). . . uses. Can I just have a minute to continue?

CHAIR PALTIN: Yes, please continue.

MR. ECONOMOU: Yeah. So...so the original ordinance in 1989 that established long-term use for the Apartment District, Section 11 of that ordinance explicitly stated this ordinance shall not apply to building permits, Special Management Area use permits, or planned development approval which were lawfully issued and valid on the effective date of this ordinance. Additionally, in 2014, that bill, Bill No. 75, said the purpose of this ordinance is to expressly restate the exceptions set forth in Section 11 and declare that in the intent of the Council in enacting Ordinance 1797 was originally and is now to exclude the requirement of long-term residential occupancy from buildings or structures having on or before April 20th, 1989 lawfully issued and valid building permits, Special Management Area use permits, or planned development approval.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

Accordingly, such buildings or structures are expressly permitted to be operated as transient vacation rentals. You know, you have more than just a takings concern, you have a zoning estoppel concern. In equity, the County, through its zoning ordinances, made a promise saying these properties are explicitly and expressly allowed to conduct this use. And to suddenly change the use and claim that it's a nonconforming use, it's...it's not really accurate, and...and it's not really appropriate for these property owners. So you know, we have those reasons and a number of other reasons that are outlined in our testimony. And because of that, I would...I would recommend that this Council just file this, you know, both pieces of legislation and not even bother sending it to the Planning Commission because the cost of litigation is going to be immense. Thank you.

CHAIR PALTIN: Thank you for your testimony, Mr. Economou. Clarifying question from Member Sugimura, followed by Member Lee.

COUNCILMEMBER SUGIMURA: Thank you, Jason, for testifying. So can you give me the HRS sections that you just cited on your last part of your testimony?

MR. ECONOMOU: Yeah. So...so the HRS section is Section 46-4, and that allows the County to phase out nonconforming uses in the Apartment zoning district. And then I also cited Ordinance No. 1797 from 1989 and...and in particular Section 11 of that ordinance. And then I cited Bill No. 75 from 2014. I...I can give you the ordinance number. That was Ordinance No. 4167 from 2014, and that was the...the codification of the "Minatoya opinion." And you know, it...yes. So thank you. I also cited Councilmember Paltin's legislation.

COUNCILMEMBER SUGIMURA: Okay. Thank you. Thank you very much, Mr. Economou.

CHAIR PALTIN: Chair Lee?

COUNCILMEMBER LEE: Jason, no, I was just questioning...you said the 74 million represents 9 percent of our budget, correct?

MR. ECONOMOU: 8.7 percent to...to be more accurate, yeah.

COUNCILMEMBER LEE: What...what does it represent of our total revenues would be more accurate of a question.

MR. ECONOMOU: Oh, I...you know, I don't have that number right in front of me. But...but you can...I mean, it's...it's more than two and a half times the amount that was generated by the entire Hotel property tax class. Just those...those 7,302 units represent more than two and a half times the amount generated by the Hotel property tax class, and...and more than two and a half times the amount generated by the Owner-Occupied tax class. So it's...it's an immense portion of our revenue. You...you'd have to ask the Finance Director --

COUNCILMEMBER LEE: Thank you.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. ECONOMOU: -- for a more accurate calculation though.

COUNCILMEMBER LEE: Thank you.

CHAIR PALTIN: Thank you. Member Sinenci has a clarifying question for you.

COUNCILMEMBER SINENCI: Thank you, Chair. And aloha, Mr. Economou. Just following your line of questioning and thought process. So you mentioned 58 million back into the housing fund. Should we delete or...or decrease the amount of housing needed for that fund, the...the cost for affordable housing would also go down as well, correct?

MR. ECONOMOU: I'm not sure I understand your question, Councilmember.

COUNCILMEMBER SINENCI: Well, you said that 58 million would go towards the housing that we needed. If we decrease that number as far as available affordable units, then that number would also go down, yeah?

MR. ECONOMOU: I mean, that's based on a whole bunch of assumptions. So the Affordable Housing Plan calls for a \$58 million annual investment into the Affordable Housing Fund. These properties likely aren't going to become affordable housing, so you still have a major housing deficit that needs to...to be met somehow. And the --

COUNCILMEMBER SINENCI: Okay.

MR. ECONOMOU: -- Affordable Housing Plan calls for that increased funding, and then bonding against that funding. So if your bond rating also goes down, and you can't fully fund the Affordable Housing Plan, I mean, you're not going to build any housing and --

COUNCILMEMBER SINENCI: Okay.

MR. ECONOMOU: -- we're still going to be in a housing deficit.

COUNCILMEMBER SINENCI: Thank you. Thank you, Chair.

CHAIR PALTIN: Thank you, Member Sinenci. Mr. Economou, I just wanted to clarify your...was it \$74 million number, that was with the full 7,300 and not removing the approximate 4,300 within the sea level rise exposure area; is that correct?

MR. ECONOMOU: That is correct. However, I would like to caution that treating property rights differently based on where they fall on the sea level rise exposure map is --

CHAIR PALTIN: That wasn't part of my question.

MR. ECONOMOU: -- is a novel idea.

CHAIR PALTIN: *(audio interference)*

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. ECONOMOU: And it's going to open you up to...to legal challenge.

CHAIR PALTIN: Next...if there's no further questions for the testifier clarifying his testimony, the next testifier we have is --

MR. ECONOMOU: Thank you.

CHAIR PALTIN: -- Tina Wildberger, to be followed by Andrea Clur. And after the break we'll take up Charlene Schulenberg, to be followed by Derek Kanoa. Aloha, Representative Wildberger. So happy to see you. And we're ready for your testimony.

MS. WILDBERGER: Thank you, Chair. Thank you, Members. I would like to testify in support of PSLU-28. And on PSLU-34 I am just sort of getting akamai to this issue. And I appreciate all of the very hard work that so many people have done on this because our housing situation isn't just a problem, it's a crisis. And so many people are sharing, particularly during the pandemic, their you know, catastrophic, life-altering issues of verge of houselessness, and with so little inventory. But since this is going to impact mostly my district, Kihei, and districts in West Maui, I'd like to ask the Council to proceed with caution because of economic...potential unintended economic impacts; not just in tax revenue, but also the fact that we don't have any rental protection for renters here in the state, something I'd like to work on at the state level. Many of the buildings that we're talking about were built in the '70s and the '80s and have significant infrastructure issues. I have been advised by a local plumber that every single building that's over 30 years old in Kihei is leaching sewage into nearshore land. And so these six, seven figure improvements are going to be put on the back of whoever is renting those units. And STR revenues can accommodate those improvements, but local people that have the hope of finding some kind of long-term housing in these units are going to be shouldered with these assessments and will make rents, you know, go through the roof and...and unaffordable. I just wanted to sort of highlight some of the concerns that I have as the State Rep in South Maui where this bill will deeply impact and . . .*(timer sounds)* . . . to learn more. Thank you very much.

CHAIR PALTIN: Thank you, Representative Wildberger. Members, questions for the testifier? Member Sugimura? You're muted, we can't hear you.

COUNCILMEMBER SUGIMURA: Thank you, Tina, for testifying. As the Infrastructure Chair, what you just said, can you kind of recap that? You said buildings that are...

MS. WILDBERGER: Sure. I actually have had plumbers express that, and I've had calls from constituents that have raw untreated sewage issues that go on languishing that are not being addressed. And that's something that we're going to need to ask, you know, these...these AOA, these condo associations, to fix and improve because we can't just have leaching sewage into our nearshore lands because all of that ends up on our reefs. And so, you know, if you look at any large assessments or any large infrastructure projects that have been done in condominiums, you know, those assessments are six, seven figures, and we...we wouldn't want to shoulder working families and residents

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

with those kinds of improvements. So we need housing, but we need to build the appropriate kind of housing, and we're late to the table on that. Thanks.

COUNCILMEMBER SUGIMURA: So basically these costs, you're saying the fees that are collected from the short-term rentals are...they're more able to pay for it than a long-term housing resident rental?

MS. WILDBERGER: Right. We all know that the short-term rental revenue is much higher than long-term rental revenue will ever be, other economic impacts notwithstanding.

COUNCILMEMBER SUGIMURA: Thank you.

MS. WILDBERGER: Thank you.

CHAIR PALTIN: I had a question if nobody else has a question. I just wanted to clarify, were you suggesting that we legislate if they remain in short-term rental that they address their plumbing issues? Because the Minatoya list has been codified for seven years, and in that time, the plumbing issues have not been addressed, and there's no guarantee that leaving them short-term rental would address...

MS. WILDBERGER: It's a separate issue. Sorry, I didn't mean to interrupt you, but separate issue. But something that would end up being...let's say we proceed with this and we turn all of these condos, we remove them from short-term rental and we offer them up to local working families and residents. And because we have no rental protections, their rents can change at any time, or they can be kicked out at any time. And so these assessments are going to end up on the backs of whoever is renting those units. And the assessments are going to be, you know, big money. I don't...I don't have a condo because I don't want to pay those fees and assessments because they're just exorbitant, personally.

CHAIR PALTIN: Yes. That...that is what's going on right now, the rents are increasing and they are kicked out. It's all over social media. But thank you. Okay. Our last testifier before the break is Andrea Clur, under the BlueJeans handle Badge. Aloha, we're ready for your two minutes. And then we'll *(audio interference)*

MS. CLUR: Hi, my name is...

CHAIR PALTIN: Sorry, go ahead.

MS. CLUR: Thank you. Sorry. My name's Andrea. My dad and I have a small property management company called Aloha Property Management. And we don't do anything with vacation rentals. Our...our clients are all homeowner's associations. And right now it's budget season for us, and the majority of our buildings that we're responsible for are between 30 and 40 years old. The fees that are being charged to all these different homeowners are going up. Every year they go up more and more. We're seeing more special assessments because, like Tina said, the plumbing in these buildings, the majority of the sewer pipes are cast iron. They have an expected life of 40 to 50 years,

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

but we're seeing them fail at about 25 to 30 years. To do a major plumbing project equals about 25 to \$30,000 per unit in most of these buildings. That's a special assessment on top of the maintenance fees. The maintenance fees include the insurance for the buildings, and with all of the fires and floods on the mainland, the insurance companies are raising their fees. This year we've seen them increase by about 10 percent. So there's a lot of uncontrollable items in the budgets that are affecting these homeowners, and it's not something people really talk about so much. And even if they talk about it, it's...it can be confusing. And so I just wanted to highlight that there are really high maintenance fees for the majority of these short-term vacation rental buildings that sometimes end up being more than the monthly mortgage payments. And it's something I just wanted to put out there because long-term rentals or residents often find it difficult to come up with the monthly maintenance fees. And then when they get hit with the special assessment . . .(timer sounds). . . they cannot...they put them into financial ruin. Thank you.

CHAIR PALTIN: Thank you, Ms. Clur, for your testimony. Chair Lee, question for the testifier?

COUNCILMEMBER LEE: Thank you for your testimony. We're...we're learning a lot about property management. You know, the special assessment fees, do people know that it's coming? Do they realize that --

MS. CLUR: We can only...

COUNCILMEMBER LEE: -- there's more than the...the common maintenance fees, do they know that there are special fees as well to be assessed?

MS. CLUR: We can only disclose that once the condo association boards have made a decision and finalized it. And so somebody could be in the process of buying a unit and have no idea because condo association boards deliberate for, you know, three, six, nine months sometimes before they make the decision on the special assessment.

COUNCILMEMBER LEE: So are...are these repairs mainly on property, or is it like the connection to the County sewer line?

MS. CLUR: Oh, it's on property. So if you have a --

COUNCILMEMBER LEE: On property.

MS. CLUR: -- building that's like five stories, you might have to repair two or three of the plumbing stacks, so that would be every single unit in that stack. So the fifth floor, fourth, third, second, first.

COUNCILMEMBER LEE: I see. Okay. Thank you. Thank you very much.

MS. CLUR: Thank you.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Okay. Next up after the...let's do a ten-minute recess, we have Charlene Schulenberg, to be followed by Derek Kanoa and Francesco. And that will bring us to testifier 20 out of 120. So we might need to get more succinct with our questions here. So we will take our morning recess until 10:40...or no, it's 10:40 right now...10:50, and we'll be back in ten minutes. Pause for the cause. . . .*(gavel)*. . .

RECESS: 10:40 a.m.

RECONVENE: 10:51 a.m.

CHAIR PALTIN: . . .*(gavel)*. . . Will the Planning and Sustainable Land Use Committee return to order. The time is now 10:51, and we're picking up on public testimony, which hopefully will start to flow a little faster now. Next up we have Charlene Schulenberg, followed by Derek Kanoa, and then Francesco. Charlene Schulenberg, we're ready for your two minutes.

MS. SCHULENBERG: Hi. Can you guys hear me?

CHAIR PALTIN: Sure can, go ahead.

MS. SCHULENBERG: Great. I'm sorry, I...I wanted video on, but for some reason I can't get it to come on. So I...thank you all for everything that you guys do. This is...these are hard discussions. I wish we were talking about jobs instead, creating jobs. And on that point, I would just make a note that for every one of these properties that we're talking about, you know, making these changes on, you know, the...they employ probably a cleaner, a prop manager, and a maintenance person on a regular basis. So you're talking about three jobs that are at risk here for every single property. On that note, in terms of the amount of properties that are being affected, you know, it says like 3,400 units, but those are usually not just owned by one person. I mean, those usually represent some sort of family, two point, whatever you want to call it, five persons. So we're talking well over 7,000 people that would be affected by this. So I want to just talk about how this feels because I agree with everybody who's, you know, created the data that they've got bringing it here today, all of that is substantial. And I'm opposed because this is just odd in terms of when you say you're maintaining a sustainable balance, well, since when is taking people's property rights to do what they want to do with it away and making it a maintenance issue? I mean, it seems like it's a misnomer, and this feels like this isn't the...the...the target. The target kind of sometimes feels like well, you don't want to sell to foreigners. Well, if you don't want to sell to foreigners or people not from Hawai'i, well, then make it a requirement for these areas to, you know, be people that have their Hawaiian driver's licenses and plan to live here. I mean, there's ways to do this without ripping people's dreams and plans and possible retirements and home values and condo values out from under them. I'm not one of these people, but this is scary to me. This is a scary process. This feels...it just feels weird and wrong, and it makes...it's like displacing one group of people for another group of people, and that doesn't seem right. And then it's just feels like you're making a group of people outcasts, especially when they've already been . . .*(timer sounds)*. . . from 2007 to 2014.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Thank you, Ms. Schulenberg. If you can wrap it up.

MS. SCHULENBERG: Yeah. I just...I just think that the codification thing is very, very scary. You're saying...we're saying that Maui doesn't hold its word on these types of things. I mean, that...that gives nobody any sense of security or stability. And I...I just think that it's...it's extremely wrong from a moral and ethical perspective. And yes, kānaka being displaced is horrific, don't get me wrong, we need...we need housing. But that...that's just what I...I just wanted to talk about how...how this hurts in the heart and...and can be a gut punch to these people.

CHAIR PALTIN: Thank you. Members...seeing no questions for the testifier. Next up we have Derek Kanoa, to be followed by Francesco. Derek Kanoa, you're up for your two minutes. If you can unmute yourself.

MR. KANOA: There we go. Can you see me?

CHAIR PALTIN: Yes, we can.

MR. KANOA: Aloha, Chair and Members of the Committee. Mahalo for the opportunity to provide testimony on this proposed moratorium measure. My name's Derek Kanoa, I'm the senior vice-president of sales in Hawai'i for Hilton Grand Vacations, better known as HGV. As Members of the Committee may know, HGV is the owner of the Maui Bay Villas Resort. We just completed our first phase, which has recently opened to the public. And our request is what we believe is a relatively small and straightforward clarification to the exceptions enumerated in Section 19.98.040 of the proposed moratorium measure. While the Maui Bay Villas project has already received its last discretionary permit, example the SMA permit, sometimes during the development or construction process, it may become necessary or desirable to make changes to an existing permit or approval. And sometimes changes or adjustments may be requested by the Planning Commission and the Planning Department itself. So we believe that explicitly allowing changes to prior approvals that do not increase lodging capacity would be appropriate and entirely consistent with the other exceptions already enumerated in the proposed moratorium measure. So our suggestion and request is that Section 19.98.040(D) of the proposed moratorium measure be revised to read as follow: 19.98.040(D) with respect to permits and approvals granted prior to the effective date of this ordinance, a time extension granted after the date of this ordinance, or a modification or adjustment made after the date of this ordinance that does not increase lodging capacity. So we believe such a change will ensure . . .*(timer sounds)*. . . that the *(audio interference)* flexibility...

CHAIR PALTIN: Finish up.

MR. KANOA: Thank you. Yeah. So to the existing prior to the effective date of the moratorium without risking becoming subject to the moratorium. Thank you.

CHAIR PALTIN: Thank you, Mr. Kanoa. Member Rawlins-Fernandez, clarifying question?

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER RAWLINS-FERNANDEZ: Thank you, Chair. Aloha, Mr. Kanoa. Mahalo for your testimony. It's actually not a clarifying question, just asking if you submitted your testimony in writing?

MR. KANOA: Yes, I did.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo. Mahalo, Chair.

CHAIR PALTIN: Thank you. Seeing no further questions, moving on to the next testifier, we have Francesco, to be followed by Genesis Young, and then Frederica Champagne. So Francesco, if you can unmute yourself.

MR. FRANCESCO: Great. Aloha. Can you hear me?

CHAIR PALTIN: Yes, we can. Go ahead.

MR. FRANCESCO: Fantastic. Thank you for the opportunity to express our ideas and concerns to help resolve the issues because by strength, we can make things happen for everybody. I want to piggyback on infrastructures of those older buildings. Just want to bring an example, the building in the association that I am with right now, we just had a seawall built, over \$3.1 million, just to save our property. That was a big, huge assessment that we had to fork up, take other stuff away. I don't know how many people would have been able to achieve without the little income that would come from the help of the...the vacation rentals. In addition to that, we come to Maui very often, I'm semi-retired, hopefully I will live a long life, but I want to see the impact that this issues in eliminating some of these accommodations will create less job for the local people, the people that thrive every single day on the tourists, on the extra money that they can make, whether or not it's in a restaurant or a café or a gift shop. These people bring to Maui a lot of money, and that should be kept into consideration besides what has already been said in reference to the property taxes, the GE tax, the TAT tax, which is a huge revenue. I never realized until I start collecting and paying back to the County of Maui, it's enormous. Therefore, I do believe that by touching this sector of the vacation rental will really impact on the little people. The people that we are supposed to help, guess what . . . *(timer sounds)* . . we're going to throw them under the bus. That's not fair.

CHAIR PALTIN: Thank you. If you can wrap up your testimony.

MR. FRANCESCO: Yes, I just did. We want to help the people that we want...we want to do our very best and not to hurt them because these people need those jobs. Coffee shops, gift shops, bicycle rentals, et cetera, the little people. These are the...these are the people that make the economy go. We cannot afford to do without them, we need them, and they need us. Any questions?

CHAIR PALTIN: Thank you. Member Sugimura, clarifying question?

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER SUGIMURA: Thank you, Francesco. So you mentioned the \$3.1 million seawall built, and what is...can I ask what the name of the property is?

MR. FRANCESCO: Yes, it's Maui Sands.

COUNCILMEMBER SUGIMURA: Thank you.

MR. FRANCESCO: You're very welcome.

CHAIR PALTIN: Thank you. Seeing no further questions. The next testifier is Genesis Young testifying on both items, to be followed by Frederica Champagne, and then Ralph Overton. Go ahead, Genesis, we're ready for you.

MR. YOUNG: Aloha. Can you hear me?

CHAIR PALTIN: Yes, we can.

MR. YOUNG: Yes, thank you. Good morning, all. And thank you for all your efforts. PSLU-28, the moratorium, I'm loving this moratorium much more than the last one because it's all encompassing. And I think that the last one had maybe a few issues is why when it came back to the Council it wasn't passed through, but I think this one should go all the way through. It...we need to put this on hold while we figure out how to control our...our tourism numbers, which obviously for our resident quality of life and for the sake of our visitor industry, are out of control. We're destroying our...our environment, destroying...destroying the local culture, and we really need to support the tourism industry and ourselves by putting a moratorium on the number of new transient vacation rentals that are built. And that just puts a pause on it, that doesn't do what we really need to do. Which brings me to PSLU-34, where we're trying to actually decrease the number of short-term rentals available as one way to...to actually decrease our tourist numbers. So how do you...how do you actually do this? We all know we need to have a high quality of life here, we have over tourism going on, there's too many tourists for the number of residents based on our community plan and based on our own personal experience. Certainly there's just...you know, when we had that big wave in August it was really overwhelming on the beaches, and then the whole, you know, people protesting on the road to Hāna, et cetera. And it's overwhelming, we really need to control it. But how do we do that? We cannot cap the entry, we can't stop the people coming, it's...this is the land of the...the free so we can't do that at this point, although it would be really nice to do that. We can't affect the airlines or the airports apparently. We can't really do very much to do it with rental cars. We saw what happens...when people came they found ways to rent cars, even at \$1,000 a day, so doing anything with rental cars as another chokepoint wouldn't work. So really, the only thing that any of us have come up with is controlling the number of accommodations. We also need more affordable housing, we need more housing, period, so that is sort of a side benefit of this. There are some issues, the...the economics, as Jason very beautifully pointed out, are an issue, but of course it doesn't happen all at once. They're going to be...as they're sold, it comes out of...out of use. Another idea though would be potentially for the County actually to become the landlord and start buying these up, and then you could

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

determine which ones are actually useable for long-term rentals and which ones are not because of the economics or because of the...the number...the amount of parking or storage or whatever, which I don't think is as big an issue as some people say. Because lots of people can park wherever they want and there are storage units available. And you know, so there is an issue there though. But the County could determine that by buying them themselves and then continuing the ones in short-term rentals with additional income and making other...other of them long-term rentals. And I've been told legally that the County can certainly become a landlord, and so I think that that might be something to consider, or other options of looking at how to actually determine which of these short-term rentals are long-term rentable to actually make what we would like to have happen, happen. And to me, it's all about decreasing the number of tourists. I do not see another way to decrease the number of tourists except by...by affecting the number of accommodations that are available, and really cutting that down because then people won't come if they don't have a place to stay. And we just have to maintain our vigilance and of course, against the illegal short-term rentals and people, you know, buying...using camper vans to stay and so on. But I think this is...the first one, PSLU-28, I highly support PSLU-34. I love the idea, I think it may need a little...little thought still, but that's why I'm testifying, to help with that thought process. So I am complete. Thank you.

CHAIR PALTIN: Thank you, Dr. Young. Members, questions for the testifier? Seeing none. Thank you so much for your testimony. Next up we have Frederica Champagne, to be followed by Ralph Overton, and then Cheryl Hendrickson. Frederica Champagne? Still on the call? Oh, no longer on the call. Okay. Next up we've got Ralph Overton. Ralph Overton? Let me unmute your mic here. Okay. We're ready for your testimony, Mr. Overton.

MR. OVERTON: Aloha and good morning, and thank you for this opportunity. I'm opposed to PSLU-34. I've been a Maui County resident since 1997. My wife Nancy, an executive for the Dorvin D. Leis Company has been here for over 50 years. And we have been very fortunate to call Maui home through the years, and our ohana has supported our community through charity donations and volunteerism. I'm a realtor specializing in vacation rentals. We own two units and manage one other, which do contribute to our livelihood and our retirement. In the near future our 40-year-old daughter that lives on Maui would like to participate. We have three other children on the mainland that one day hope to return. Two more grandchildren and a great grandson on island, and it's their future opportunity to also perhaps benefit. And this...this bill also can impact all residents who strive to earn rental income in the tourism industry. Now, we realize there's a housing crisis, and we do have empathy regarding all housing issues; however, we just don't see how this phaseout will best address. I can...here's a real-time gut-wrenching example. Over a year ago, the Department of Planning initiated steps stemming from a complaint at the Mā'alaea Yacht Marina Resort. One single complaint that led to the discovery of a zoning issue, and as a result, just last week, myself, along with many owners, were ordered to cease all short-rental activity in a condo that we purchased ten years ago, and this surprise enforcement action in a complex with a 30-year history of short-term rentals. As a result, our associated retirement income stream will take a hit. And for this two-bedroom, two-bath condo, we will need to charge

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

nearly 5,000 a month as a long-term rental, most likely very appealing to work-from-home non-residents; very unlikely to appeal to many local families. And if this serves as an example, perhaps phasing out . . .*(timer sounds)*. . . these types of short-term rentals may not best address the housing issue. I can just wrap up?

CHAIR PALTIN: Please wrap up.

MR. OVERTON: We ask that the Committee Members reconsider this plan and not deny our children a future opportunity to help defray Maui's increasing cost of living, and not to prevent motivated residents from future opportunities to participate with a chance to improve their quality of life. And maybe, hopefully just maybe, better address the trend of having to work two or more jobs just to make end...ends meet. I had a couple ideas that I could put out there, otherwise I can wrap up and we hope that you will consider our concerns and oppose. Mahalo.

CHAIR PALTIN: Thank you, Mr. Overton. Seeing no questions from the Members...oh, we have a question from Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR PALTIN: Go ahead, Member Sugimura.

COUNCILMEMBER SUGIMURA: So can you...can you quickly wrap up what you suggest, want to suggest?

MR. OVERTON: Well, a couple ideas, and these are personal ideas based on my experience and what I've seen as...maybe catch the short-term rental operators that are TAT and GET cheaters and use governmental police powers as an enforcement vehicle to create housing opportunities that way. Second, maybe consider a moratorium on converting long-term rentals that have not had any previous short-term rental history ever. Because we all know folks, and it's sad, that have been displaced because of what was once a long-term rental converted to a short-term rental.

COUNCILMEMBER SUGIMURA: Thank you.

MR. OVERTON: Thank you. Mahalo.

CHAIR PALTIN: Thank you, Mr. Overton. Seeing no further questions. Our next testifier will be Cheryl Hendrickson on both items, to be followed by Karen Comcowich on PSLU-34.

MS. HENDRICKSON: Good morning...

CHAIR PALTIN: Cheryl Hendrickson?

MS. HENDRICKSON: Aloha.

CHAIR PALTIN: Aloha. We're ready for you.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MS. HENDRICKSON: Okay, great. I support PSLU-28 and 34. What I'm hearing from those opposed is they have special interests, they have financial interests, there's even a veiled threat of a lawsuit in there. There's not one point about what's good for Maui. We have sensitive ecosystems, our wildlife is going extinct, our cultural practices are being interrupted. There's just too many people here. And the Maui Island Plan, you know, it's...it's been blown out of the water. Our quality of life has gone down, we can't enjoy our sites anymore. The airlines have now destroyed our airspace, our ambient sound is now a constant thrum of aircraft. And then the HTAA [sic] had its meeting yesterday I attended, they have a strategic and a destination plan. Both of those they call the airlines their partners. They estimate our...their seats are going to go up 30 percent from 19 in January throughout the rest of the winter. They also regard the reduction of the seats as a threat. They regard limited capacity for international travel to the neighbor islands as an opportunity to expand. Well, we have long-haul flights coming in right now from the East Coast. So they're like set up to bring international travel in easily. And it's just the...it's too much, it's too much, so we need to support this plan to bring it under control. As far as PSLU-34 to phase out the rentals, I'm all for it. I mean, the long-term housing here is abysmal. Our kids aren't able to find anything with a bathroom, a kitchen in some regards. And these arguments that people are putting up that the TAT is not going to the County...well, it's not, it's going to the State right now. And it doesn't funnel down here, our beach parks are degraded, our boat ramps. It's...it's ridiculous and it's sad. And no disrespect to Tina Wildberger, but her argument that the locals will be paying for assessments because of sewage leaks, if it's rented to tourists, it's just going to be pushed further under the carpet. So by renting to a local, at least it can expose those sort of problems and get those landowners to pay their fair share to fix that environmental shame. You know, these...the...we're not getting the revenue from the TAT. We need to diversify our economy, we need to get out of this dependence on tourism, it's just too much, and it's ruining the island. And frankly, a lot of these people opposed can't even pronounce our words, so I don't get it. You know, it's obvious a financial interest to all of them. So please, please pass these measures. Thank you.

CHAIR PALTIN: Thank you, Ms. Hendrickson. Long time no see. Please say hello to Alana and Tanner for me.

MS. HENDRICKSON: You know them?

CHAIR PALTIN: Junior lifeguards.

MS. HENDRICKSON: Yeah. Oh, wow.

CHAIR PALTIN: If anyone has any questions for the testifier? Seeing none. Thank you so much for your testimony, Ms. Hendrickson.

MS. HENDRICKSON: Cheryl, please, but mahalo.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Next up we have Karen Comcowich, to be followed by John and Gary...John and then Gary Passon. Karen Comcowich, we're ready for you.

MS. COMCOWICH: All right. Can you see me, and can you hear me?

CHAIR PALTIN: Yes. Yes. Go ahead.

MS. COMCOWICH: Gunaydin, Planning and Sustainable Land Use Committee. My name is Karen Comcowich. I am a Maui resident speaking on my own behalf. I support phasing out transient accommodations in the Apartment Districts. It is a fair and intelligent way to wean Maui County off our over reliance on tourism while increasing the housing stock. This resolution allows people who bought intending to own a vacation rental to continue making a profit. When apartments are sold or transferred, new owners will be well aware that in Maui County, the purpose of the Apartment District is to be occupied on a long-term residential basis according to Maui County Code 19.12. Codifying the Minatoya opinion in 2014 was a bad decision. As older and somewhat affordable apartments were sold to investors, the price for the remaining long-term housing rose to match demand. The idea that these are not suitable for residential housing doesn't sit well with me. These were developed as residential housing in the most walkable, bikeable areas of Maui, close to stores and beaches. The same things that make them attractive for vacation make them attractive for residents. Before Minatoya was codified, I had friends who lived in many of these buildings. Back then most of my friends didn't have cars because it wasn't necessary. We could walk to work, the store, and beaches. Phasing out vacation rentals will ensure that there's not a sudden drop in tax revenue because current owners will continue to operate and pay taxes. This will also allow housekeepers, landscapers, and property managers who serve the TVR owners to stay in business, and transition slowly as business needs change. Please support Maui County residents and this resolution to phase out transient accommodations in Apartment Districts. Thank you for your time.

CHAIR PALTIN: Thank you, Ms. Comcowich. Seeing any...no questions for the testifier. Thank you for your testimony today. Next up we have John, to be followed by Gary Passon, and then Ann Simons. John, we're ready for your testimony if you can unmute yourself. You're unmuted on our end, so you'll have to click the little microphone if you want to testify at this time. Okay. Moving on to the next, we have Gary Passon. Gary has dropped off the call. Okay. Next up we have, let's see, Ann Simons. Looks like she has dropped off the call as well. Testifier with the last four digits 5674. 5674, I've unmuted you and we are ready for your testimony.

MS. GEBERS: Yes. I just wanted to say that I...I oppose the moratorium, and I also oppose, you know, the transient...getting rid of the transient vacation rentals. I don't agree with it because I think we're going to be losing a lot of transient accommodation taxes. Even if it is going to the State, there's still a lot of money that's going to be lost in the County, as well as having situations where there is high costs for these condo owners, and those are going to be tacked on...like he was talking about Maui Sands, at \$3.4 million for the seawall repair. If that...if that was a long-term rental, those rents would have to be really, really high in order to cover that cost. To me, it doesn't make any sense. There

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

needs to be...it needs to be modified. And I totally agree with affordable housing, but we need to figure out a different way to do it. Thank you.

CHAIR PALTIN: Thank you. And can you give us your name for the record please? I just knew your last four digits.

MS. GEBERS: Yes. Toni, T-O-N-I, last name is Gebers, G-E-B-E-R-S, and I've been in Maui since 1986.

CHAIR PALTIN: Thank you. Next up we have Lei Shannon Canderheuvél [sic]. Lei Shannon Canderheuvél? Ms. Fisher, if you can mute your video until your time is up. Thank you so much.

MS. VANDERHEUVEL: Hello, can you hear me?

CHAIR PALTIN: Yes, we can. Is this Lei Shannon...

MS. VANDERHEUVEL: Vanderheuvél, yes.

CHAIR PALTIN: Okay. Vanderheuvél.

MS. VANDERHEUVEL: Yes.

CHAIR PALTIN: Okay.

MS. VANDERHEUVEL: I wasn't sure when I was going to be able...I wasn't sure when I was going to be able to be up, so I ended up having to go on mobile, so apology. So --

CHAIR PALTIN: Okay.

MS. VANDERHEUVEL: -- I had it set up for video.

CHAIR PALTIN: So 8513 is you. Okay. Go ahead, begin your testimony.

MS. VANDERHEUVEL: Yes. Thank you so much. So I heard the last testifier...couple of testifiers ago who was saying that they have special interests involved and that...that...just personally, just...can you hear me?

CHAIR PALTIN: Yes, we can.

MS. VANDERHEUVEL: Okay. Sorry. Just personally, I...I live in Mā'alaea. I live there full time. I don't vacation rent. And our...our...our place in Mā'alaea, we just put in a brand new sewage treatment center, brand new, so I know about all the high assessments. Our...our maintenance fees are almost \$1,000 just for a two-bedroom rental alongside with the mortgage, so it's very, very expensive for us to even live there. My husband works, I work, and...and I know we need affordable housing, but to put the moratorium where when I read that any new vacation renters for anybody that possibly might, you

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

know, buy my unit, they won't be able to vacation rent. This is all set up for a vacation rental. Just like one of the other testifiers had said, that there's no room, there's no extra storage, there's no extra parking, and...and it's just set up for vacation renters. It used to be all beach houses, then it became condos, like ten...nine or ten condo units...buildings. So they're aged buildings, back in the '70s, and this totally affects me because if we have to leave and...and my...my next purchaser of my unit cannot vacation rent, how long is it going to take before I can even sell it? So you know, I'm not a rich person, it just took everything we had because I wanted to live oceanfront, and you know, maybe that was a mistake, but that's all we could afford at the time with...with a view. So I just wanted to say I oppose the bill. I...I, you know, moved here just to be close to my father who lives in West Maui, and this...that was the best place for my husband to go to work and me to stay working in the area. So I...I know it's very hard to find affordable housing . . .*(timer sounds)*. . . but this is not the right way. So I appreciate it. And --

CHAIR PALTIN: Thank you, Ms. --

MS. VANDERHEUVEL: -- please consider people living here. Yeah.

CHAIR PALTIN: -- Vanderheuvél, for your testimony. Seeing no questions. Thank you so much for your testimony.

MS. VANDERHEUVEL: Thank you so much.

CHAIR PALTIN: Next up we have T. Fisher. We're ready for your testimony. You can unmute your video and your microphone at this time.

UNIDENTIFIED SPEAKER: They're going to have me talk, I didn't know I was going to talk. So I get a text message from Diane and she's like oh, my God --

CHAIR PALTIN: Is this...

UNIDENTIFIED SPEAKER: -- thank you, and I'm like did I...

CHAIR PALTIN: Somebody's unmuted that's not giving testimony. T. Fisher? Tisher [sic], sorry, T...

MS. FISHER: Hi...hi, good morning.

CHAIR PALTIN: Good morning.

MS. FISHER: Can you hear me?

CHAIR PALTIN: Is this...we can hear somebody.

MS. FISHER: Yeah, that's...this is Tobi Fisher.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Oh, okay. Tobi Fisher, with an F or with a T?

MS. FISHER: Tobi Fisher --

CHAIR PALTIN: Uh-huh.

MS. FISHER: -- F-I-S-H-E-R.

CHAIR PALTIN: Okay. Tobi Fisher. Go ahead, we're ready for your --

MS. FISHER: Good morning...

CHAIR PALTIN: -- testimony.

MS. FISHER: I had a quick question. I'm sorry if you've already defined this, but the 3,000 that we're speaking of and the sea level rise area, could you define that before I give my testimony?

CHAIR PALTIN: We're not really to answer questions, but what we're focusing on is the 3,000 units that lie mauka of the sea level rise exposure area, that's where the phaseout would be based on the most current legislation. And that's not my legislation, but I do agree with it also. So it would be, you know, above 3.2 foot sea rise level, so not the shoreline properties.

MS. FISHER: Okay. So anything within the FEMA flood line along the shore, correct?

CHAIR PALTIN: Would be exempted from the phaseout.

MS. FISHER: Okay. I...I'm a owner of a few condos that are on the shoreline, but I recently sold one of my properties on Moloka'i to a couple, multigenerational, born and raised on...on Moloka'i, and they are going to be making that their small business. They're a hardworking couple, they have saved their money. This is the first time they purchased property. And it made me feel so wonderful to be able to sell them this property and for them to continue on and try to make a small business out of this. Phasing out of this would affect them, and they're residents of Moloka'i, and so I'm in opposition of it. I think there are certain complexes, be it something like Kihei Shores, that on its inception was built for housing for employees of Grand Wailea. I do agree that some of the complexes, their original intent was to be for housing, but many of these complexes have no parking, no washers and dryers, no storage space, no elevators, no common area for working residents or family situations, and not meant for the...some of them only have one parking space, some of them have no parking. So I feel that effort should be focused more on cracking down on the illegal rentals and capturing the GET and TAT of people that own in these complexes that are not paying their taxes. And also, working towards this \$78 million being appropriated towards affordable housing. . . .(timer sounds). . . I have grown children that are looking for property on Maui as well, so I understand the housing shortage, but I don't think cracking down on the condos is the way to come about that. Thank you.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Thank you. Seeing no questions for the testifier. Thank you so much for your testimony. The next person that we have on the list that is still on the line is Clint Hansen, to be followed by Brandon Settecase. Clint Hansen, we're ready for your two minutes.

MR. HANSEN: Okay. Can you hear me all right?

CHAIR PALTIN: Yes, we can.

MR. HANSEN: Aloha kākou. This is Clint Hansen with Maui Luxury Real Estate. I also run Maui Real Estate Radio. I've had lots of people contact me and reach out to me about this incoming law. I mean, it's a massive law. And loss in revenue, whether that's immediate or over time, does not matter. The size of these incomes dwarf other property sources of income and is 2.5 times greater than that of the hotel industry. I...I don't know why the hotels are getting preferential treatment and tax breaks. If we're going to phase out anything, why not start with the large corporations and foreign governments that own and funnel these profits out of Hawai'i? The reason is because it's illegal, and it strips rights away. Why are we even here? Hasn't Corporate [sic] Counsel weighed in? I assume that these efforts would constitute taking--I assume, I don't know--as resale values will tank if this happens. And in addition to that legal impasse, we have to acknowledge the premise of the new codified Minatoya is based on the fact that these properties were lawfully permitted the ability to vacation rent. They were designed, allowed, and permitted. That would obviously constitute zoning estoppel. So I don't think we need to table this, we need to file it and put away. It just...to me, this has already been defeated previously in other forms, it is wildly unpopular, and I do not see why we have to be focusing on problems that could...this time could better be put to look into the future and the undoubted fact that big corporations like Blackstone are going to be coming and purchasing homes out from people who live here. And the idea that people purchase and own here are not Hawai'i people is foolish to me. I mean, you can hear by today that these affect Maui people. And I just want you to open your hearts to the fact that . . . *(timer sounds)*. . . this is going to cause far too much strife among our people. Aloha.

CHAIR PALTIN: Thank you. Seeing no questions for the testifier. Thank you for your testimony today. Next up we have Brandon Settecase, to be followed by Roy Vandoorn, and then Johann Lall. Brandon Settecase, if you can unmute yourself, we're ready for your testimony. You're unmuted on our end, and you'll need to unmute on your end. Okay. Moving on to Roy Vandoorn. Roy Vandoorn?

MR. VANDOORN: Thank you, Chair. I really appreciate the ability to testify today. And in the spirit of Chair Lee's guidance of not to be too repetition, I'm throwing away my testimony and I just want to make a few points as quickly as possible. The 2014 ordinance, I think we all need to realize that that didn't create any additional short-term rentals. That only codified an activity that had been occurring since at least 1989. So nothing changed in 2014 except going from a legal opinion to a promise by the County to the owners that they could short-term rent. A number of folks have mentioned about

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

property taxes going down gradually. Don't believe me, I would definitely bring in your County property tax people, but it's going to fall off a cliff. Because as soon as the first unit sells for a lower amount, every unit in that complex is going to be reassessed at the lower amount, which is going to result in the property tax decline. A testifier said that there was a threat of being sued. I'd like to take you back to what Mike Trotto said to you all, you are stewards of our money, lawsuits are expensive. So if there's a legitimate case to be made in opposition, when you talk to Corporate [sic] Counsel in your executive session, please take into account the money that's going to have to be spent to defend this. Win, lose, or draw, no one wins as a result of a lawsuit. These complexes were not designed for families. We need to realize that. One person said that parking and storage is not a huge issue; I beg to differ. Parking...you need two parking places because every family needs multiple incomes. Children need to be taken to school, this requires cars because our public transportation isn't there yet. . . .(timer sounds). . . And one last point if I may, Chair? The County has started collecting TAT taxes, so last week that wasn't the case, this week it is. So we now have a County TAT tax, so it will directly affect that revenue stream. Thank you, Chair Paltin.

CHAIR PALTIN: Thank you, Mr. Vandoorn. Seeing no questions for the testifier. We'll move on to the next testifier. Thank you so much for your testimony. Next up we have Johann Lall. We're ready for your testimony, Mr. Lall. Let me unmute you.

MR. LALL: Hi.

CHAIR PALTIN: Hi. Go ahead.

MR. LALL: Sorry. I testify on my own behalf only in support of PSLU-34. It doesn't go far enough, but it's...it's a good start. And I want to address something specific. There have been some comments that the Minatoya properties aren't appropriate for families, and they're inappropriate for...for local people to live in. And I live in one of the few condo complexes in Kihei that is not Minatoya. I live in Kihei Shores, and it's great. You know it's...it's...it's a place where I know my neighbors. I see my neighbors, which I would not in, you know, a suburban-type development. I...I go to the pool, you know, I see people all the time that I know. My mom is 80, so she doesn't work and she's home all day, and she lives with me, and she sees folks all day. She sees the maintenance workers, the people who work here at the office, that kind of thing. I mean, it's...it's a great way to live. And there's this kind of weird bias here against apartments and against condos. But you know, the...the...the fees are high at those places because there's a lot of revenue available to pay them. If...if things were changed and they were reverted to residential, which would take, I guess, a couple generation, the fees would stabilize. We have a place that we can compare to, we have a whole island, O'ahu, where they don't have Minatoya. There's no such thing there. And if you look on rent.com, search for places, under \$2,000 a month there is 105 properties. Here, if you do that same search, you find four. So I mean, it makes a difference. We could have a lot of housing available. I wish it could happen now, but you know, this is a good first step. That's my testimony.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Thank you, Mr. Lall. Seeing no questions for the testifier. We can circle back around to Mark Harbison. I think he was on the list, but he wasn't on the call at the time.

MR. HARBISON: I am on the call.

CHAIR PALTIN: Okay. Go ahead, Mr. Harbison, we're ready for your testimony.

MR. HARBISON: Aloha, everyone. And thank you very much to the Council for allowing public testimony on this. I think it's very important to engage the public. And what I would like to do in my brief two minutes is sort of address some of the issues that have been raised generally and that I see constantly on social media. One of them is that, as Tamara said in her introduction, there is a general meme floating around out there that these condominiums suddenly appeared in 2014 and that in the past, they were occupied by long-term residents. That is absolutely false. As Jason pointed out, these condominiums have been short-term vacation rental since they were built. There are papers...their documents all reflect that, and that is the reason they are currently on the Minatoya list. So that is one of the misconceptions that I wanted to address. The other that I heard today was that these long-term expenses of the condominium complexes, first of all, are not being paid anyway, that they're not being carried out, that condominiums are not observing the reserve studies. Let me point out to you and to the speaker who just spoke that these reserve studies are...are done by professional inspection companies. Hawai'i Inspection Group is one of the best on the islands. They go out something like 50 years projecting expenses. We know what the projected expenses are. On the charge that condominium associations are not doing these repairs anyway, that is absolutely false. There are a number of projects. I could cite Sugar Beach, they did a \$7 million renovation. Royal Mauian in South Maui, these are the only ones I know about. Kā'anapali Shores did a \$10 million-plus renovation. All of the condominiums on the island are gradually being forced to execute on their...on their reserve studies. And when I talk about these programs that cost 7 million, 10 million, 12 million, those are not outliers, those are ongoing projects that actually cost that much. . . .*(timer sounds)*. . . The program I know about at Kihei Surfside, the individual cost to owners was \$57,000.

CHAIR PALTIN: Thank you, Mr. Harbison.

MR. HARBISON: Thank you very much for the chance to testify.

CHAIR PALTIN: Thank you. Seeing no questions for the testifier. Thank you for your testimony. The next testifier we have on the list is Guest, and we have two users logged on as Guest, so I guess as a bonus we get a two-for-one today. Any user...Guest, I'm unmuting you right now, and if you wish to testify. Guest will be followed by Kelly Swanson if she's still on the call, and then Albert Perez. Guest? Last call for a guest. Okay. Kelly Swanson, I'm unmuting you at this time. We're ready for your testimony. And Kelly will be followed by Albert Perez. Kelly, are you there? Okay. I'm unmuting Albert Perez.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MS. SWANSON: Oh, sorry, I'm...I'm here.

CHAIR PALTIN: Oh.

MS. SWANSON: It just didn't unmute me. Sorry.

CHAIR PALTIN: Okay. Kelly Swanson, we're ready for your testimony. And then Albert Perez, and then the testifier 8828. Okay. Go ahead, Kelly.

MS. SWANSON: Aloha, Chair and Councilmembers. Mahalo for taking my testimony. And thank you for your continued efforts to provide housing for our residents. I am a realtor on island, some of you may know me, I was the former County Salary Commission Chair. I deal with these complexes all the time, and I'm in and out of these complexes, going through condominium documents, looking at these capital reserve improvement projects that are happening. And these complexes are not new buildings, they're 30 to 40 years old, as we've heard many times. These assessments that come up of 20 to \$30,000 per unit or more happen pretty regularly, no matter how well a complex is run. You can only prepare for so many things, other things happen that reduce your reserves, and assessments happen a lot. In addition to capital improvement and infrastructure-related assessments, the monthly maintenance fees are necessarily high due to the age of these buildings. The maintenance fees plus an electric bill start at \$1,000 a month, not even taking into account the cost of the unit itself or what the rents would be. Just the maintenance fees and an electric bill start at \$1,000 a month. Once you include the cost of purchasing these units, none of them would fall into an affordable housing category. And although we're mostly just talking about increasing available housing units, I fear that the high costs would only encourage additional off-island purchasers and renters. The most simple and cost effective decision that would make the most sense for our island's economy would be to continue the codified use of these units for transient vacation rental use. Instead of taking away the ability to use these as TVRs, I would encourage Council to continue efforts to incentivize unit owners for prioritizing long-term rentals, such as the bill that was passed to reduce property taxes for those who are providing 12-month leases. That's...that's great . . .(timer sounds). . . and that's just really going into effect soon. I'm sorry. I had more, but I'll stop.

CHAIR PALTIN: Thank you. If you can wrap up.

MS. SWANSON: Okay. I just wanted to say additionally that I've talked to a lot of property managers, handy people, cleaners, and all those that are directly employed by this industry, and they're terrified of any slowing to their business after going through this past year and just barely surviving with the shutdown and everything. And we just need jobs, we need to be able to support our residents, and this wouldn't do that. I would just encourage incentives to unit owners to provide long-term rentals while maintaining the current codified use.

CHAIR PALTIN: Thank you, Ms. Swanson. Seeing no questions for the testifier. Thank you so much for your testimony. Next up...Gary Donnelly dropped off, so we have Albert

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

Perez, to be followed by 8828. Albert Perez, you have been unmuted on our end, so we're ready for your testimony.

MR. PEREZ: Good morning, Chair Paltin, Members of the Committee. Albert Perez with Maui Tomorrow, and I'd like to testify on both measures today. I'll be very brief on PSLU-28. We support this measure. As we have said many times, it's the first step to controlling over tourism. Stop making it worse by building more visitor accommodations. Even if we do that, we'll still be over the ratio specified in the Maui Island Plan. So I'll move to PSLU-34. There's been a lot of focus on whether this measure will create more affordable housing, but let's remember that main goal is to reduce the number of places that visitors can stay in order to get back to the one-to-three ratio specified in the Maui Island Plan. It's not just about the possibility of gaining long-term rentals, we need less tourists. As far as the prices and the...the upward pressure, if the prices of these units go down, that would help reduce upward pressure on other real estate, which would make housing more affordable overall. Some units that are in buildings that do not allow vacation rentals are priced higher than those in buildings that do, so it's not certain that the prices go down, they might go up actually. And as far as these units being suitable for long-term rental, some of them will and some of them won't. But those that cannot be rented short-term anymore will have to be rented long-term or they'll become Non-Owner-Occupied and the Council can raise the rates on the Non-Owner-Occupied units to make up for any decrease in real property tax or TAT. I don't think it's nearly as high as some of the figures that have been...have been mentioned today. So I think it will be quite easy for the County to make up the revenue on second homes or empty investment homes. And finally, I just want to mention about the legality. The State statute, HRS 46-4, specifically allows counties to eliminate uses from apartment districts as long as it's done over a reasonable period of time. And what is a reasonable period of time? I think that is something that should be discussed. So mahalo for your time.

CHAIR PALTIN: Thank you, Mr. Perez. Seeing no questions for the testifier. Moving on to the next...thank you so much for your testimony. We have...the next five testifiers look to have dropped off the call, so we're at Caitlin Miller, to be followed by Leanne Sim, and then Susan Pu. The testifiers that have dropped off the call are indicated with a grey shading. So Caitlin Miller?

MS. MILLER: Aloha, Chair and Councilmembers. Can you hear me?

CHAIR PALTIN: We sure can. Thank you so much.

MS. MILLER: Great. My name is Caitlin Miller, and I'm testifying to oppose PSLU-34 as a West Maui resident and voter on Maui. I own a small property management business on Maui that also supports other small businesses that would be greatly impacted by this change, and would create a loss of income and employment for many of these people. People affected are property managers, handymen and contractors, house cleaners, association employees, rental companies, and many more. Additionally, the basic economics do not support this change, and will lead to an extreme decrease in critical tax funding for Maui County as stated by Jason earlier. As a resident of Maui

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

County, this bill does not provide or create appealing long-term affordable housing for a lot of residents. I do not want my only option to be condos that do not provide a yard, garage, or space needed, and have astronomical HOA fees and special assessment fees. This bill only benefits major hotel corporations and does not benefit the locals and residents of Maui County who have built their businesses around our number one economic source, which is tourism. Vacation rentals have played a huge role in the return of tourism to Maui County, and have helped lead the charge in rebuilding the economy during the pandemic. The State and County have repeatedly shown their clear preference for hotel corporations versus supporting their small business owners. We stuck together as business owners during the pandemic and supported one another, the hotels did not. To comment on the transient accommodation tax comment from earlier, Maui County just passed and started enforcement of a 3 percent transient accommodation tax specifically for Maui County that went into effect on November 1st. If these condos are taken out of that 3 percent, that will lead to a dramatic decrease and the proposed plan of actually creating more sustainable funding for the County by passing that 3 percent transient accommodation tax. Thank you for your time. And I'd appreciate if you oppose PSLU-34.

CHAIR PALTIN: Thank you for your testimony. Seeing no questions. We'll move on to the next testifier. We have Leanne Sim, to be followed by WCA Design that's still on the call to give testimony. Ms. Pu is not testifying. So Leanne Sim, if you're still on the call, to be followed by WCA Design.

MS. SIM: Aloha. This is Leanne. I just wanted to say my opposition to PSLU-34. I think that Jason Economou had really addressed the legal and economic effects of...of what would happen. The other thing I wanted to address was I don't think that we should be taking away opportunities that residents have here on the island and giving something to somebody else. You don't take away from someone to give to someone else. What we need to do is create. So a couple of ideas are we have a lot of subdivisions in Maui that have HOAs that do not allow for ohanas to be built. If that was to be changed and these subdivisions allowed ohanas to be built, that would create enormous opportunity for long-term rentals. And also this...this ordinance is going to be very slow. It's not like all of a sudden there's going to be 3,000 units available for long-term rental. It only happens when there's a turnover. So it's going to be a very slow process. That's really all I wanted to say. I think most people pretty much addressed all of the other issues.

CHAIR PALTIN: Thank you, Ms. Sim. Seeing no questions for the testifier. Next up we have WCA Design, to be followed by the testifier with the last four digits 6546, and then 2509. WCA Design, are you able to give testimony? I will unmute you on our end, and if you're ready you can unmute and give us your testimony. Okay. Moving on to testifier with the last four digits 6546. I have unmuted you and we're ready to hear your testimony. Last four digits 6546. Okay. Moving right along, the next testifier has the last four digits 2509. 2509, we're ready for your testimony. Okay. Next up we have Hinatea. Hinatea? We're ready for your testimony. I will unmute you on our end, and you need to unmute on your end if you're going to give testimony. Okay. Moving on, we have...let's see, Andrew...looks like he dropped off. Oh, no, we have an Andrew. We're ready for your testimony, Andrew, to be followed by 8426, and then Amy Bond. Andrew?

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

You'll need to unmute from your end. Okay. 8426? Oh, Andrew? Oh, okay. 8426, we're ready for your testimony, you have been unmuted on our end. 8426?

MR. THOMPSON: Hello?

CHAIR PALTIN: Hi.

MR. THOMPSON: Hello?

CHAIR PALTIN: This is 0558. We didn't call 0558.

MR. THOMPSON: Yes. Yes. Am I on? Have you unmuted?

CHAIR PALTIN: We're waiting for the testifier with the last four digits 8426. Is the testifier with the last four digits 84 --

MR. THOMPSON: Hello?

CHAIR PALTIN: -- 26?

MR. THOMPSON: Hello?

CHAIR PALTIN: Hello? Hello? Hello?

MR. THOMPSON: Hello? Hello?

CHAIR PALTIN: We just heard somebody.

MR. THOMPSON: Hello?

CHAIR PALTIN: Hi.

MR. THOMPSON: Hello.

CHAIR PALTIN: What is --

MR. THOMPSON: Hi.

CHAIR PALTIN: -- the last four digits of your phone number?

MR. THOMPSON: Yes. Yes. My name's Martin Thompson. I'm at the Maui Eldorado.

CHAIR PALTIN: Excuse me?

MR. THOMPSON: I've...

CHAIR PALTIN: Excuse me, Martin Thompson.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. THOMPSON: Yes?

CHAIR PALTIN: We didn't call 0558 yet.

MR. THOMPSON: Oh, I'm sorry. I'm sorry. I'll wait. Thank you.

CHAIR PALTIN: Okay. Thank you. We were trying for 8426 at this time. If 8426 is not going to testify, the next testifier on the list is Amy (*audio interference*). I can hear 2509 who we previously called, are you going to provide testimony, 2509? Last four digits 2509. Okay. Last four digits 8426, we can hear you. Are you going to provide testimony? 8426? Are you providing testimony today? Okay. I guess not. Amy Bond? Amy Bond, it's your turn to testify. We have unmuted you on our end. Go ahead.

MS. RAMOS: Aloha. Can you hear me?

CHAIR PALTIN: Yes, we can.

MS. RAMOS: Can you hear me?

CHAIR PALTIN: Yes.

MS. RAMOS: Hi, my name is Amy Bond. It's actually Amy Ramos, married now. I'm testifying on my own behalf. Thank you. Mahalo, Chair and Council, for all your hard work. I'm a 20-year resident raising three boys here on Maui, and I just have some comments to make regarding bill...is it 10.12, the phaseout in the Apartment District? Is that the number on the bill?

CHAIR PALTIN: It is PSLU-34 is the one. There's no...

MS. RAMOS: That's the one, PSL-30...PSL-34 [*sic*].

CHAIR PALTIN: Yeah.

MS. RAMOS: I oppose this bill as I feel like it's taking away property rights that have been really vested at the time that these folks made the purchase. And I kind of feel like it should just be maintained going forward for the future for their families and just for the likelihood. I feel like also picking and choosing mauka versus makai is discriminatory. And I feel that either way that the Maui County will be seeing a flood of...of lawsuits, and I'm just wondering like what's the ceiling for Maui County at the cost of the taxpayer if this does come into litigation? You know, seeing as that's, you know, I'm a resident and I pay a lot of taxes, you know, I'm kind of worried about that as well. This is huge, it encompasses a lot of properties. Also, I agree with Tina Wildberger regarding the high expenses along with these older buildings, all the plumbing, all the special assessments. Those buildings are expensive. And while I do believe that some of them could possibly be suitable for long-term residents or owner-occupied long-term folks, that they're also going very high. There was one person that testified that said he lives at Kihei Shores.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

I saw a unit in Kihei Shores just went on the market, like a three-bedroom for like 600,000. So it's like, I mean . . .*(timer sounds)*. . . I don't know how much more affordable those units will be going forward. And just...I'll wrap it up. Just I really feel like for affordable housing if I'm going to be paying like taxes, I would rather see land developed at like 500 feet or 1,000 feet at a higher elevation for local residents at this point just because I feel like with global warming and rising coastal oceans, just be smart for our future and doing like off-grid technologies and solar and things like of that nature to make it more affordable for our teachers, police officers, medical folks, nurses, all these people that really need housing --

CHAIR PALTIN: Thank you, Ms. Ramos.

MS. RAMOS: -- now. Thank you.

CHAIR PALTIN: Seeing no questions for the testifier. Our next testifier will be Mariola...Mariola, followed by Lynn Britton, and then Terry Joaquin. Mariola? Unmuted on our end. I have unmuted you on our end, and so you'll need to...oh, looks like they dropped off. Okay. No Mariola. Next up we have Lynn Britton. I will unmute you on our end. And we're ready for your testimony, Ms. Britton, to be followed by Terry Joaquin, and David Jorgensen. Lynn Britton --

MS. BRITTON: Aloha.

CHAIR PALTIN: -- if you're ready. Aloha.

MS. BRITTON: Aloha, Council...Committee Chair and Councilmembers. I've been hanging out with you all morning because I just wanted to have a chance to say aloha and to thank you for all your hard work. I am offering personal testimony on PSLU-28 and 34. I'm proud to say I've been a Maui resident since 1973, and when I came to Maui there were 40,000 residents, so I certainly have seen the growth of Maui over these many years. PSLU-28, I think I support that, I support the concept. At the hotel association we actually pleaded with the Mayor and the Planning Director to not build the Four Seasons and the Grand Wailea at the same time because that would involve bringing new...new carpenters and new tradesmen to Maui, and we wouldn't be able to handle it. Well, we've seen what's happened since...since the early '90s for that. I think it's healthy to pause and take a look at where we've been and where we want to go. We have become a world destination, and many Maui residents and families depend on jobs in the industry. We need to return to the original vision for Maui, one of quality, not quantity, and we need to follow the Maui Island Plan. One-third visitor ratio is very reasonable. Limiting vacation rentals in Maui's Apartment zones is not the answer. I've owned my Mā'alaea condominium since 1985, and lived there for 24 years. When I got married over ten years ago, I put my condo into long-term rental, but was unable to meet my monthly expenses or the raising special assessment fees. Made a major investment to create a vacation rental in my apartment, and doing a legal vacation rental from that time has allowed me to meet my expenses and make a small income in my retirement. Many of the owners in my building . . .*(timer sounds)*. . . alone in Mā'alaea were initial buyers in 1975, they bought them as second homes, and they should not be jeopardized

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

from not being able to pass on their investment to their families through future sales. Being in Mā'alaea, I'm hearing this morning that there is an alternative bill that would exempt the makai units such as Mā'alaea, but is that fair to all of the owners of Apartment zones? I also never intend to sell my unit. I made that very clear to my new husband, I will never sell my Mā'alaea unit because that is my long-time home. And so this does not affect me, but I think it's a question of fairness. Let's see, what else do I have here to share. My costs exceed 2,000 a month, and before I went to vacation rental I was charging my one tenant \$2,000 a month rent. With all of the additional special assessments for the units to try to keep up with Department of Health requirements regarding our injection wells, as many of you know we're trying to build a regional treatment plant . . .*(timer sounds)*. . . so that we can get away from having the individual injection wells. Increasing costs for maintaining and improving the systems add to special assessment fees. Listening this morning --

CHAIR PALTIN: Miss Britton, if --

MS. BRITTON: -- I've heard that --

CHAIR PALTIN: -- can wrap it up.

MS. BRITTON: -- it was suggested that...I'm sorry?

CHAIR PALTIN: Oh, if you can wrap it up.

MS. BRITTON: Okay. I...I heard a good suggestion that the County could look at other units that are not as high priced as ours on the...on the shore to see if there were possible opportunities for purchasing the units to create long-term housing. We also have a lot of vacant buildings in our industrial areas that are not being used. Sack N Save just closed. I mean, there are a lot of opportunities to...to relook at existing buildings that are sitting vacant that could be used for lower-end needs for housing our...our homeless and our people that need it. I think that's about it. I just want to thank you for all your efforts. And I know it's important that you're looking at these issues because affordable housing is certainly needed on Maui, but it's been needed for decades. 1977 they told Hannibal Tavares at our...at our symposium that housing was going to be the number one need for Maui's future, and it's...it's time that we addressed it, but I don't think this is the proper way to do it. Thanks so much.

CHAIR PALTIN: Thank you, Ms. Britton. It is 12:00 now, and so we can take up maybe two more testifiers and then break for lunch. We have Terry Joaquin and David Jorgensen, and then after lunch we'll take up Jeremy Stice, Dick Mayer, and so on. So if there is a Terry Joaquin? Thank you, Ms. Britton, for your testimony. Terry Joaquin? Joaquin? Let's see if you're muted on our end. Okay. Terry Joaquin, I have unmuted you, and we're ready for your testimony. Terry Joaquin? You'll need to unmute yourself on your end to start your testimony. Okay. Moving on to Dave Jorgensen. I have just unmuted you on our end, and you will need to unmute on your end at this time. Dave Jorgensen? Dave Jorgensen, you'll need to unmute.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. STICE: Baby, how do I...I can't...I can't unmute myself.

CHAIR PALTIN: This is...is this Jeremy Stice talking?

MR. STICE: Oh, I'm sorry. Yes, this is...can you hear me?

CHAIR PALTIN: Yes, we can. The last two testifiers didn't answer, so we'll try and --

MR. STICE: Okay.

CHAIR PALTIN: -- squeeze you in right before lunch, and then we'll take a *(audio interference)*.

MR. STICE: Thank you.

CHAIR PALTIN: Go ahead.

MR. STICE: Appreciate it. Aloha and mahalo to all of you for your time and consideration here. My name is Jeremy Stice. I'm born and raised here on Maui. I've lived here the vast majority of my life. Grew up with obviously a lot of people here on Maui. I'm voicing my adamant opposition to PSLU-34. I am both a real estate practitioner and I run a vacation rental company, and most importantly I'm a very concerned long-term citizen of the Maui...citizen of Maui County who is currently raising a family here and intends to do so for the rest of my life. I went to school, Kalama, with Councilmember Molina's son. I've helped many of the first-time homebuyers here on Maui purchase properties. I can tell you definitively that this Apartment-zoned housing is absolutely not suitable for long-term housing for the citizens of Maui for the reasons that have been stated repeatedly here. I think we need a much more responsible and managed approach to tourism. I lived in Honolulu during my early 20s, I do not want to see Honolulu County...or Maui become Honolulu. I do not want to see Maui become Waikiki. I think we need to focus our efforts on coming up with a much more reasonable managed tourism program. The main concern that I have is the downstream effects of this legislation, which I think have the potential to bankrupt the County of Maui for several different reasons. The litany of lawsuits, regardless of your opinions on the merit, would ensue. We would all be paying for that. I would ask you to look at what happened to our local businesses during COVID-19 when we did not have visitors here. It was very sad to see many of our local restaurants and other businesses have to close their doors permanently. I fear . . .*(timer sounds)*. . . that this legislation would have parallel effects.

CHAIR PALTIN: Thank you, Mr. Stice. If you can wrap it up.

MR. STICE: Okay. I just think that there's a litany of issues that we're facing here, and this is not the way to go about it. I think we need to have a very collaborative conversation about finding solutions to manage tourism and provide affordable housing for the citizens of Maui County.

CHAIR PALTIN: Thank you, Mr. Stice. And now we're eight minutes into the lunch hour. That was number 100 on the list of 150; however, a lot of those names have been blocked off

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

as, you know, coming and going, I guess, from the call. So Members, what are your thoughts, an hour lunchbreak, standard, come back at 1:30? 1:30? Yeah? Okay. So let me read off the name so that people have an idea. When we come back from lunch, we'll be starting with Dick Mayer, to be followed by Ivan Lay, and Dennis and Leigh Ann Hadick. So Dick Mayer will be up first at 1:30, followed by Ivan Lay, Dennis and Leigh Ann Hadick, Marylynn, Paul Deslauriers, and then 5604. So that's the lineup for immediately after lunch. Dick Mayer, you'll be up first at 1:30. And if there's no other comments, questions, or concerns, we'll recess until 1:30. And we'll see you then, Mr. Mayer. All right. Meeting is in recess. . . .(gavel). . .

RECESS: 12:10 p.m.

RECONVENE: 1:30 p.m.

CHAIR PALTIN: . . .(gavel). . . All right. The time is 1:30. Will the Planning and Sustainable Land Use Committee meeting of Wednesday, November 3rd return to order. And we're still on public testimony. Public testimony has been open all this time. And our next testifier is Dick Mayer. Dick Mayer, to be followed by Ivan Lay, and then Dennis and Leigh Ann Hadick. All right. Dick, we're ready for your testimony.

MR. MAYER: Thank you. It'll be on both items. Because I think both of them...both of them very much fall in line with what the Maui Island Plan said, and I'd like to go back to that. As you may remember, I was the vice-chair of that committee that recommended...and the Planning Commission adopted us, and the whole Council passed an ordinance adopting the Maui Island Plan as a guide for this exact activity. And in Chapter 4 of the Maui Island Plan, it makes several statements about the relative role of different industries on the island, tourism, agriculture, and other ones, and made some specific recommendations with regard to the visitor industry, tourism. And I'm going to quote a few statements that are in there, but I think the main theme that we were trying to get at was that Maui had become very dependent on one industry. Agriculture, pineapple, was already gone. As we all know now, sugar is also gone. And we became extremely dependent on that. And that was a concern even back then, before sugar went out, that it would...that might happen. Consequently, we said that the County should be very careful in guiding its own future, and should not try...not allow one industry to continue making us more and more dependent. And we saw the consequences of that dependency when COVID hit, and all of the sudden the economy collapsed, really, on Maui because of our overdependence. So one of the things I'm going to urge that--and it's not directly related to the items on the agenda, but--is that the Council initiate stronger efforts to diversify the economy--I have several ideas on how that might work--to make this ordinance that you're...these two ordinances that you're looking at more effective and more useful for the County's future. With regards to the moratorium, the Maui Island Plan was very concerned and it gave...in the...in the...in the Maui Island Plan...I'm going to read a few quotes here. The County's principal role involves regulation of land uses, including visitor units and related recreational real estate, in addition to commercial attractions. To protect the quality of the visitor...Maui's visitor industry and the island lifestyle, the County must carefully manage and control any future expansion of visitor units on Maui Island. In other

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

words, by law--and the Maui Island Plan is law--you have an obligation to plan properly. And I think the steps that you're taking with these two items go in that...exactly in that direction. One of the things that happened in 2019, we had really almost no unemployment on Maui. In fact, we were in such a shortage of workers, people were coming into the island and...to...because the growth of the...of the tourist industry had grown so much, and that made us even more dependent, but it also caused a huge housing problem. It was people moving in here willing to work, sometimes two or three people living in the same unit and competing with our local residents for housing, raising the housing costs, rental costs, et cetera. So these things are all very much tied together, and I'm sure you're all very aware of that. So I would urge you to go ahead and move the moratorium bill to the full Council to initiate it. This is not going to hurt any existing hotel, per se, because they're all allowed to continue operating. They can do all the repairs that they need to do in upgrading their quality. And in fact, one of the things that they should be doing is upgrading the quality of their product. And that will enhance and keep us strong into the future. With regard to the vacation rentals in apartment district, I would urge you when you...you're going to be sending this to the Planning Commissions on all three Islands, I believe. And when you do that, I would urge you to think carefully about what that might mean in terms of when that gets phased in. One of the bills that's...that you had discussed is to do it when there's a sale or a transfer. That could be 20 years from now or 30 years from now, and there are all kinds of ways realtors and lawyers have to get around that prohibition by transferring and setting up LLCs and what have you. So what I would urge is that in an alternative bill--I think some of you may have seen a version--puts a three-year limit that these, that the present TVRs and short-term rentals in the apartment district can remain in operation for three years, and that gives them enough time to phase out, if they're interested in getting out of the business, but it does not prevent them from good uses of their property. The State HRS allows nonconforming uses to be phased out, and I think you, in your ordinance that you'll be sending to the Planning Commission, have given them some guidance, but I think a better guidance would be a time period within which they have to do this, and that makes it very, very clear what will happen. And I think it will provide affordable housing and moderate housing for many of our local residents into the future. Not everybody will want a...want a two-bedroom condominium, but there are many, many people who would like one, especially since they're located very often right near where they work. So there's a plus-plus situation going on here in this particular situation; no new . . . *(timer sounds)*. . . vacation rentals, no new hotels or other accommodations. And I thank you. And I...any questions...any questions, I'll be glad to try to answer.

CHAIR PALTIN: Okay. Thank you, Mr. Mayer. Members, seeing no questions. Thank you so much for your testimony. Our next testifier will be Ivan Lay. It looks as though Dennis and Leigh Ann Hadick kept dropping off, as well as Paul Deslauriers. So after Ivan Lay will be Marilyn, and then the testifier with the last four digits 5604. Ivan Lay, let me check if you're unmuted already.

MR. LAY: I'm here.

CHAIR PALTIN: Oh, you can...okay. Go ahead. We're ready for your two-minute testimony.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. LAY: Thank you. Aloha, Councilmembers. I'm testifying on Item PSLU-28, and my name is Ivan Lay. I'm not a paid lobbyist. I work for the Hawai'i Regional Council of Carpenters as a field representative, and I'm against this moratorium. Maui County went from...went from one of the lowest unemployment rates in the nation to one of the highest. Many mom and...mom and pops businesses have closed and will never open again. Instead of a moratorium, we should focus on more sustainable management plans for projects and tourism. This bill will end up hurting a lot of local families that are looking for work and dream of getting the paycheck and benefits that will help them and their ohana live and stay here on the island that they were born and raised on. We need jobs. Tourists wanting to vacation on Maui will still come to Maui. Where they will be staying is important thing to address. Do we keep them in the tourist areas, or we...do we watch them and grumble as they filter into our local resident areas? I know this effort to stop illegal rentals, but it's difficult to watch when people are coming in, buying homes, and already have a guest list in place to rent out their illegal home rentals. This moratorium is here because we feel we need...the need to control tourism. I'll use myself as somewhat a hypothetical example. I spend too much money. What should I do, stop all the spending? I wouldn't be able to buy anything. Be reasonable. I need to buy food and necessities to live. The only logical answer is I won't stop spending, but I'll control my spending. The Planning Commission took five hours in the meeting. Did the public and Council have enough time to review their minutes to see what their concerns were? Why rush for a moratorium? Let's work to become...let's work to come up with more workable solutions. Defer this item. Thank you for giving me the opportunity to testify. The one-third ratio would work if a lot of our local families didn't have to leave their island home. Thank you.

CHAIR PALTIN: Thank you, Mr. Lay, for your testimony. Members, seeing no questions for the testifier, we'll move on to our next testimony. We have Marilyn, to be followed by...oh, Member Sugimura.

COUNCILMEMBER SUGIMURA: Yeah, Chair, for Mr. Lay, if I could.

MR. LAY: Sure.

COUNCILMEMBER SUGIMURA: So he brought up the minutes for the...

CHAIR PALTIN: Are you still on the call? Mr. Lay?

MR. LAY: . . .*(inaudible)*. . .

COUNCILMEMBER SUGIMURA: Mr. Ivan Lay. So the question for you is that you brought up the minutes for the Planning Commission...

CHAIR PALTIN: I didn't hear that he was still on the call. Mr. Lay, are you still on the call?

COUNCILMEMBER SUGIMURA: I see him.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. LAY: I'm still here.

CHAIR PALTIN: Okay. Go ahead.

COUNCILMEMBER SUGIMURA: Okay. So you were on...sorry. You mentioned the minutes for the Planning Commission meeting, and we do not have a copy of it yet.

MR. LAY: Their recommendations don't cover everything. The people's comments have a back and forth that you can look at and figure out, okay, you know, does that sound reasonable or does that sound reasonable. The recommendations from the Planning Commission is their decision on what they think should be recommended to you. But as the voice of Maui, you guys, you got to listen to what everybody has to say. And the minutes are very important to go over it. I know it's a lot to cover, but this is a very important agenda. It's going to affect a lot of people. So I'm hoping that the public had a good chance to look...review all the minutes and everything so they can figure out, you know, if all of their concerns were addressed correctly. And I'm hoping that you did too, as far as speaking out for us to make...to make your decision on what to do.

COUNCILMEMBER SUGIMURA: So we do not have the minutes yet from the Planning Commission. So I...thank you very much for expressing why it's important to get the verbatim minutes in writing. Thank you.

MR. LAY: You're welcome. Defer it.

CHAIR PALTIN: Next up...oh, Member Molina.

COUNCILMEMBER MOLINA: Thank you very much, Madam Chair. Aloha, Mr. Lay. Nice to hear from you.

MR. LAY: . . .*(inaudible)*. . .

COUNCILMEMBER MOLINA: Just with regards to the minutes, what were some of the things said that you can recall by the testifiers that maybe were not said at, you know, our Council meetings or Committee meetings related to this?

MR. LAY: Honestly, with you also, there's a...there was a lot to review. To go through the whole thing will take some time. So I haven't seen it...gone through everything, or I don't even know if it's available yet, but I heard it's available. But I heard the concerns, and I'm hoping that everybody else had a chance...or for you guys had a chance to look at it and the public to see it. It's a lot to cover, but like I said, it's a lot. I mean, how can you go through all five hours in a meeting that quickly?

COUNCILMEMBER MOLINA: Okay. Thank you very much for your response, Mr. Lay. Mahalo, Madam Chair.

MR. LAY: You're welcome.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Thank you, Mr. Lay. And Member Molina, the video is available right now. Okay. Next up, we have Marilyn. Marilyn, if you can let us know your last name for the record. Just see if you're unmuted. Marilyn, I'm unmuting you on our end, and now you just need to unmute on your end. Marilyn, last call? Okay. Next up, we have testifier with the last four digits 5604. I've unmuted you on our end, and we are ready to hear your testimony. 5604, if you can let us know your first and last name for the record.

MS. RICHARDSON: Hi, I'm here. Can you hear me?

CHAIR PALTIN: Yes. Can you let us know your first and last name?

MS. RICHARDSON: Yes. My name is Maureen Richardson, and thank you for letting me speak to tell you how these bills would affect me and my husband. I'm a retired...I'm retired kupuna living in Kihei, and I'm caretaker to my husband, who has Alzheimer's. We own a vacation condo rental on mauka side in Kihei, and this is our only source of income other than Social Security. This condo complex is also one that was originally built for the workers when they were developing Wailea. If we lose this TVR income by going to a long-term...long-term rental, we would need to move back to our vacation rental from a 500 square foot cottage in Kihei that we currently rent. I would then...I would then be forced to apply for Government assistance, such as an EBD card and Quest health insurance, to be able to live on Maui. Senior housing is a five- to ten-year wait the last time I checked. So it seems this would cause Maui County, or the State, to lose my condo's tax income, plus use additional tax income for our Government assistance. I had seen the equity rise in our condo as a vacation rental and have looked at this as something that we could pass down to our children, either as a vacation rental or be able to sell it as one. I feel like I have worked hard my entire life, and would like the opportunity to pass down the equity of our business condo to our children, but if we have to sell the condo as a long-term rental, then our equity is gone, and we are left with nothing to pass down to our children. This is how these bills would affect my husband and I. Thanks for your time.

CHAIR PALTIN: Thank you, Ms. Richardson. Seeing no questions for the testifier, our next testifier is Jordan Hocker, number...last four digits 1700. Let me check if...

MS. HOCKER: Hi.

CHAIR PALTIN: Oh, go ahead.

MS. HOCKER: Okay. Hi there, my name is Jordan Hocker. Hi, Committee Chair, Councilmembers. It's nice to see you all today. Testifying on my own behalf on my own time. I'm also a sustainable science management major at UHMC. So my focus is always sustaining us into future generations. That's what I hope to be a part of. So I'm in support of this moratorium. I've said this before. I'm sure many of you have heard this. The moratorium's a simple pause. It's not a doomsday scenario. I see this pause as a way that we could give the Planning Department more space and resources to focus on affordable housing projects. And I really think that the affordable housing issue is

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

more than simply just building affordable housing. We need to recognize when it comes to housing and over tourism, these things are related, and this perfect storm we're experiencing now is due to the status quo. It really sounds like, based on previous testifiers, that a lot of decisions that were made way back in the day, or about 50 years ago, kind of contribute to where we are now. Part of the reason I also feel like we have this problem is because Maui has been seen as a great investment opportunity by outsiders. And what I see being done with legislature like this and the other agenda item is a clear message that our local residents need to be taken care of. And when I say local residents, you know, I've been here for ten years, but I'm referring to people who grew up here, whose families are in danger of moving away or already have had to. I'm not speaking in my own interest when I say local residents. I think there should be a priority in all of our minds, whether we move here or grow up here, for multigenerational families, despite us all having equal rights. I think it comes down to common courtesy as opposed to rights. And so as previously mentioned, when it comes to our construction workers, our builders, and our carpenters, I too hope they won't be left in the lurch, because we need housing. And we need housing to be built. And to sort of honor what Planning Commission Chair Tackett was saying earlier, our local workers should be a priority with the affordable housing projects that need to happen during these two years. And I think that finding a way to make . . . *(timer sounds)*. . . our local workforce--sorry, I'll just...I got two sentences--stable, regardless of how many tourism projects are active should be a coming necessity, right? I view this bill as a focus shift for that, and we need a paradigm shift if we're going to sustain future generations. Okay. So moving on to PLSU-34 *[sic]*, I do also support this initiative. I want to remind everyone that our...in our society, where the dollar is king, no investment is a sure thing. And when you're investing in property, that applies as well. Further, when investments are made to the detriment of local culture and population, at a certain point you're sort of banking on the fact that that's never going to change. And in many situations, rarely does it change better for the people who are getting the short end of the stick. Tourism is driving our housing crisis. That really needs to be fully recognized and said. Many of us living here couldn't afford a full Hawai'i vacation. That would take me years and years and years to save for what people are coming here and doing. And it's influencing them on staying here, buying investment properties, buying houses. I also see this bill, PLSU-34 *[sic]*, as an attempt to prioritize local residents and make Maui as an investment for outsiders a little less attractive, which I do believe needs to be a priority and is a key part of addressing our housing issue. This, combined with the moratorium, gives Councilmembers an opportunity to find creative ways to pull more money from...for the County from tourism to offset the concern expressed by other testifiers. And as another testifier mentioned, most of our most walkable areas are dedicated to visitors, and when it comes to our transportation infrastructure, I think that we should really look at that. When you look at smart growth and planning, you want to build and design in a way that cars aren't needed. And having more people live in high areas that were previously dedicated to visit...short-term vacation rentals could address this issue. We aren't dealing with a deficit of people who want to come here, move here, invest here, so it's necessary to protect those people who don't have the same resources. And I'll just leave you with a question...is, why is the retirement of some people more important than the stability of many? Thank you so

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

much for your time today. You guys are putting in the good work and the good hours. Appreciate you.

CHAIR PALTIN: Thank you. Looks like we do have a question, clarifying question, from Chair Lee. Go ahead, Chair Lee.

COUNCILMEMBER LEE: Ms. Hocker, you mentioned you're here on your own time. Do you work for a Councilmember?

MS. HOCKER: I actually recently started as part-time EA for Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER LEE: I see. Okay. Thank you.

MS. HOCKER: However, I've been following the issue of moratorium since Kelly's bill.

COUNCILMEMBER LEE: Thank you.

CHAIR PALTIN: Okay. Any...no...seeing no further questions. Thank you for your testimony. Next up, we have the number 8. The number 8, I'm going to unmute you, and if you want to provide testimony, please let us know your first and last name. Number 8 is up. Number 8, you have been unmuted on our end, but you keep muting. I'm trying to unmute you. The button is working. Okay, your video is unmuted. If you wish to testify, you'll need to unmute your video. Okay. Moving on. Next up, we have Elizabeth McGain. Elizabeth McGain, I'm going to unmute you.

MS. MCGAIN: Whoops.

CHAIR PALTIN: Go ahead. We can hear you. We're ready for your testimony.

MS. MCGAIN: Oh, you can. Oh, good. Thank you so much, Councilmembers, for allowing us all to do this. I wish I was as eloquent as Jordan, but I am a resident and I'm just going to speak in my own words. I support the moratorium because it creates the opportunity to realign the vision for our island. We have limited resources; land, water, infrastructure, housing. Why do we need the speed of this overdevelopment right now? The moratorium allows consideration of long-term quality of life over immediate financial gain. And I think about what will Maui look like, feel like, and be in 20 years' time at this rate. Once the building's done and the resources are used, and the number of visitor accommodations increases to an unsustainable number, it'll be too late. It's now that we have the opportunity to plan, consider, balance, and redirect, not later. Many voices speaking against the moratorium are focusing on immediate financial gain. That's not the place to come from. I would love an opportunity to see data on how many of the workers and tradesman on the large transient accommodation projects are imported from the mainland and outer islands. I think we would all be surprised. We're no longer considering how to support our local families, our local workforce. We are now importing a lot of the laborers and tradesmans [sic] doing the same jobs for these projects, who compete directly with our own community...not only for work, but also for

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

housing. Is Maui here for the taking of a small group of companies in this development tourism industry who are benefitting greatly at this time from the out-of-control building, or are the people, the culture, the 'āina, and all of the irreplaceable treasures we love to carry the weight here? . . . *(timer sounds)*. . . Please vote through the moratorium to allow time for consideration of how to move forward. Thank you.

CHAIR PALTIN: Thank you, Ms. McGain. Seeing no questions. Thank you so much for your testimony.

MS. MCGAIN: Thank you.

CHAIR PALTIN: Next up...thank you. Next up we have the testifier with the last four digits 4248 as your phone number. I am unmuting you, and if you can let us know your first and last name. Thank you.

MR. FLYNN: Yes, my name is Jim Flynn, and --

CHAIR PALTIN: Jim Flynn.

MR. FLYNN: -- my wife and I have owned a condo...pardon me?

CHAIR PALTIN: Go ahead.

MR. FLYNN: Okay.

CHAIR PALTIN: Jim Flynn, you said?

MR. FLYNN: Correct.

CHAIR PALTIN: Okay. Go ahead.

MR. FLYNN: So my wife and I have owned a condo in Maui since 2008. It's in one of the A1 complexes. And there seems to be like a...from a lot of the testifiers, a misperception, I think, that the owners of these units are all, you know, extremely wealthy and interested only in--excuse me, getting a little bit of a cold--in, you know, immediately...immediate financial payoffs. And I can tell you from personal experience that most of the people we know in our condo, many of whom spend, you know, six to eight months a year on the island, are...you know, it's an investment, but it's an investment that really is only paid...the mortgage can only be paid for through rentals. And you know, we bought in '08. We...it was probably 10, 11 years before our property, after the recession, even came back to where we bought it from. So it's not what...you know, I think, as I said, there's been...it's not a bunch of rich people, you know, taking culture from the island. It's a bunch of people who really love the island and try to contribute to the culture. And the other thing I wanted to point out is that, you know, many of these people do have mortgages, and if the moratorium goes through, as has been stated by others, you know, you're basically, probably slashing the property value by a good 20 percent, maybe more, maybe a little less. But it'll be significant. If people have mortgages, you

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

know, they could find themselves upside down on a mortgage, unable to pay it. . . .(*timer sounds*). . . I understand the goals, but this seems to be patently unfair. It's not taking someone's short-term investment gain, it's taking someone's long-term, you know, financial commitment that they've made, and essentially taking it away and giving it to someone else, which just isn't fair. Thank you. That's all I have to say.

CHAIR PALTIN: Thank you, Mr. Flynn. Just a clarifying question. This condo that you own, that's your second home?

MR. FLYNN: It is. Correct.

CHAIR PALTIN: Okay. Thank you.

MR. FLYNN: You're welcome. Thank you. Mahalo.

CHAIR PALTIN: Any...no further questions. Thank you for your testimony. It looks like we need to backtrack. We missed somebody that we thought had dropped off, but they're still on. It'll be Cara Flores, followed by Wello, that we missed before calling 4248, that I'm getting from Staff. Cara Flores, we're ready for your testimony.

MS. FLORES: Thank you so much. I appreciate you guys taking the time to listen to all the testimony, and I am testifying just for myself today. But we know with climate change...and there was a lot of talk about this before the economy...before the pandemic, that our economy needs to be diversified. And in order to diversify our economy, we have to start making hard decisions. I support both of these measures. The County plan, as you know, has a one-to-three ratio for tourists to residents, and I think we need to honor that and try to meet that goal and the other goals in the County plan. There's so many people who cannot find a home right now, and it's a real supply and demand issue. We have a lot of aging infrastructure, and the same with these condos. I've heard people testify that some of these condominium units are outdated. The infrastructure's old. And there's this idea that if they're short-term rental properties, somehow they'll get repaired better than if we have long-term residents there. I'm not sure what data backs this up. We've all heard of pride of homeownership, and in my experience, condominiums, where there's a high rate of resident...residents who own and live there have much better maintenance than the ones that don't. So I think there's a bigger vested interest if it's people's personal property or their long-term rental. The point of zoning is to have certain kinds of housing and businesses in certain places. So I do agree with trying to bring in more long-term rentals into apartment-zoned areas because they're zoned for apartments. And if they're incorrectly zoned, and the whole County agrees that those should be hotel zoned, then the zoning should be changed. The solution shouldn't be to allow nonconforming use . . .(*timer sounds*). . . in a zone. Regarding...can I testify on the other one? Sorry, that was 34.

CHAIR PALTIN: Yeah, two minutes. You got two minutes on the next item.

MS. FLORES: Thank you. So I think that, you know, not building more hotels will help with reducing tourism, which is something we do need to do. We only have limited

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

infrastructure that we can support, and we already know that our sewage infrastructure specifically, and our water systems, are overburdened. And so having more people on the island doesn't help that. So the only thing we can control, because we're a State in the United States of America, is how many accommodations are available. So anything that reduces the number of accommodations here will reduce the number of people here, and then we can get creative on how to build and generate revenue in ways that are not tourism based. So I see this as a very slow turning off of the faucet of tourism. And it's not turning it all the way off, it's just slowly reducing the amount of transient units available. So it doesn't seem extreme. It seems like a really smart step, one step of many that needs to be taken over time. And that's why I support it. I also wanted to speak to Kihei Shores because several people spoke about it, and I used to live there. I used to be on the board. And I joined the board and was elected based on the fact that we had short-term vacation rental usage in the community, and a lot of people did not like it. We were able to, for the most part, eliminate that, and it made our quality of life there much better. It's a very tight knit community, and the people who opposed it and wanted to keep short-term vacation rentals in that complex said if we got rid of them, and cracked down on it, and tried to vote as a board against it, that our unit prices would go down in value. And as you heard someone else testify, . . . *(timer sounds)*. . . they've gone up incredibly in that specific condo.

CHAIR PALTIN: Okay, thank you. So seeing no questions for the testifier, our next testifier is Wello. Let me see if . . . *(inaudible)*. . . on our end. Oh, I don't see her on the call anymore. Okay. After that, we have Thomas Croly. Thomas Croly. Let me see if you're muted on our end.

MR. CROLY: Here I am.

CHAIR PALTIN: Oh, okay. All right, Mr. Croly, we got two minutes per item if you want to testify on both items.

MR. CROLY: Yeah, I have comments on both items. First, I'd like to comment on PSLU-28, the moratorium. I don't believe this measure is consistent with our Maui Island Plan because it doesn't seek to manage visitor...the impacts of our visitors. It also splits up-- I want to be very specific about this--part-time residents, residents, and visitors. And understand that when we talk about our out of balance, it's the part-time resident number that is going up. That's the one that is increasing the most, okay. While I don't favor, necessarily, building new hotels or more hotels, I do believe the Council is making a big mistake in tearing apart ordinances that have been effective in managing certain portions of our visitor industry, specifically the bed and breakfast and the short-term rental ordinances. I don't appreciate comments from the peanut gallery.

MS. MCGAIN: All right. Well, I have to...yeah, I just . . . *(inaudible)*. . .

CHAIR PALTIN: Okay. Just a moment. Can you stop the time? Ms. McGain, can you mute yourself up? Because we can hear you talking.

MS. MCGAIN: I'm a horrible public speaker. I mean, I wrote it. So I just had to read it.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Can somebody please mute Ms. McGain?

MS. MCGAIN: My voice shakes like crazy, and I...yeah, no, I immediately am aware of...

CHAIR PALTIN: Staff? I got it. I got it. Okay.

MS. MCGAIN: . . .*(inaudible)*. . . alone, and I'm like okay, that sounds good. Take a break here, here . . .*(inaudible)*. . .

MR. CROLY: Oh, my goodness.

CHAIR PALTIN: Okay. Sorry, Mr. Croly.

MR. CROLY: Thank you. Well, I'm glad to hear that she wasn't actually commenting on me. I thought she was. She's just on the phone. Anyway, I think that we need to take measures that manage our tourism, and those are thoughtful measures, as opposed to this idea of a moratorium, which is really not very well thought out. And I don't know that that will be effective in managing our tourism. There are a lot of suggestions that I can make, and I'm not going to be able to make them all in two minutes for you, but that would be my thoughts on the...on the moratorium. With respect to this item, PSLU-34, I would urge this Committee today to file this one. I think it's obvious from all of the comments that you've got that this is not worthy of sending to the Planning Commission for comments because it really hasn't been thought through. I don't believe that it will meet its stated goal of creating affordable housing for residents. And I don't believe that it's right in any way, shape, or form for the County to unilaterally take away vested rights of property owners in this manner. I do want to thank the Chair for the historical overview she gave about this matter, but she didn't go back far enough in this historical overview. The properties that would be affected by this measure, when they were built in the '70s and the '80s and the '60s...those properties specifically were built for the use of transient accommodations. And that use was specifically a use that was allowed in the apartment district. In 1991, there was a change to our ordinances, and it said any new buildings that are built should only be used for long-term residential. And then it was very specific to say that the existing ones would not lose the use that they have. So it's revisionist history to say that in 2014, that's when this all changed. No, these properties that we're discussing today have always, always, always been allowed to be used for short-term rental. However, I do have several suggestions for you that I would like you to consider rather than what's on the table today. One is, in 1991, when the prohibition on short-term rental uses was made for new buildings, it specifically said that those new buildings have to be used for long-term residential occupancy. That means residents, okay. But most of the buildings that have been built in the apartment district since . . .*(timer sounds)*. . . 1991 are...is that on my second one?

CHAIR PALTIN: Staff, is that his second one or his first one?

MR. LEAUANAE: His second one.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Second one. Okay. If you can wrap it up in a minute or so.

MR. CROLY: Okay. Okay. Thank you for the minute. Most of those properties that have been built since 1991, they're being used as second homes. They are not being used as long-term residential housing. So I would encourage the Council to come up with some type of enforcement bill that says if you own a condo in the...in the apartment district, that you...that was built after 1991, that condo, you need to be living in or you need to be renting it to someone long-term. You're not allowed to use that condo for short-term. I have other suggestions to make, but I recognize everyone needs to get their time. Thank you, Chair.

CHAIR PALTIN: Thank you, Mr. Croly, and feel free to email us like you always do. We do have some questions, clarifying questions, from Chair Lee, followed by Chair...Member Sugimura.

COUNCILMEMBER LEE: Yeah, Tom, as the Chair said, please send us your suggestions. They sound very interesting. Thank you.

MR. CROLY: I certainly will.

CHAIR PALTIN: Member Sugimura.

COUNCILMEMBER SUGIMURA: It's going to be my statement, I guess, to him too, or my request. Thank you.

MR. CROLY: Okay. Good luck. Thank you, everybody.

CHAIR PALTIN: Next up, we have Loretta Gomes. Let me see if you're unmuted, Loretta Gomes. I don't...okay, I'm unmuting you now, Ms. Gomes. Go ahead, and you can begin your testimony. Loretta Gomes, you're unmuted. If you're talking, we can't hear you. Loretta Gomes? Okay. You're unmuted. You may need to sign out and sign back in if you are talking because we can't hear you. Or there's a telephone number that maybe you can call in. Okay. Next up, we have a testifier under the name Guest. You're muted on your end. If you want to give testimony, please unmute yourself. Guest. Okay. Moving on, we have a testifier with the name Les. You've been unmuted on our end. If you can let us know your first and last name. Les, it's your turn to testify. You'll need to unmute on your end. Okay. Moving along, the next testifier's name is Jeff, and you have been unmuted on our end. You'll need to unmute on your end in order to provide testimony. Okay. Moving along, our next testifier is PJ. I'm unmuting you on our end, and you will need to unmute on your end in order to give testimony. Okay. Moving on. Our next testifier's name is David Englert. David Englert, I'm unmuting you on our end. You need to unmute on your end to provide testimony. David Englert. Click on the microphone if you want to give testimony. Next up, we have Jerry...oh.

MR. ENGLERT: Sorry.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Okay. David Englert, go ahead, two minutes testimony. We can hear you.

MR. ENGLERT: Oh, no, I can't hear anything, but...sorry, my name's David Englert, and I run Rentals Maui, a smaller vacation rental company in South Maui. And you know, I'm born and raised here in Maui, and my mom started this business about 20 years ago. I've worked over the last 11 years to grow our business here. And you know, this proposal is just a little...it just feels a little radical in a sense. I'm a huge proponent of affordable housing. I'm a recipient of affordable housing. But the whole purpose of this bill, to take away these rights of these transient vacation rentals, doesn't answer the question and doesn't guarantee that this...that these units are going to end up as affordable housing for people, for residents of Maui. And you know, if we're going to be upending a huge portion of our industry, I think that should be a sure thing, because there's a lot of people, a lot of families, that are going to be affected by a decision like this, a lot of people's livings, not just in the accommodations industry, but all the...and all these strip malls around here. These aren't hotel shoppers. When you walk through these places, these are visitors that are staying in these condos right off the area here. And you know, I've been hearing this talk about diversification since I was in high school at Baldwin, and I don't understand why you guys want to take something...or take away a huge portion of our industry without replacing it with something or creating something first. And we need to create that before we remove stuff, in my opinion. But yeah, it's difficult. And on top of that when...I also sell real estate as well, and I've had a lot of my friends and residents here on Maui trying to buy homes here, and they can't. They can't compete with mainland buyers in most cases. . . .*(timer sounds)*. . . Anyway, thank you for your time.

CHAIR PALTIN: Thank you, Mr. Englert, for your testimony. Seeing no questions, our next testifier is...did we miss 8513? Is 8513 still on the line? No, not on the line. Okay. Next up, we have Jerry Edlao. Commissioner Edlao, you've been unmuted on our end. So if you're here to give testimony, you'll need to unmute yourself. Commissioner Edlao? Okay, moving on. We've got Jerome and Yvonne Bosch. Jerome and Yvonne Bosch, you've been unmuted on our end. If you would like to give testimony, you'll need to unmute on your end. Okay, moving on. Greg Mebel, you've been unmuted on our end. You need to unmute on your end if you want to give testimony. Okay.

MR. MEBEL: Hi.

CHAIR PALTIN: Okay. Go ahead. We can hear you.

MR. MEBEL: Hi. Yeah, just real quickly, I didn't actually sign up to testify, but thanks for calling on me. So...

CHAIR PALTIN: Oh, anybody on the call, we put on the testifiers list unless they request not to testify. So that's kind of how it works.

MR. MEBEL: What, what, what, what?

CHAIR PALTIN: So you don't have to. You don't have to.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. MEBEL: No, no, I...I'll testify. Yeah, so I'm opposed to the idea of phasing out vacation rentals. I think that there are probably better ways to get affordable housing on Maui. I think that this way is kind of...it's the public taking away, sort of, private housing versus the public creating affordable housing that's more appropriate. So I've seen in other places where the public entities, the Council have the Committee and the Department that then builds and creates . . . *(inaudible)*. . . you know, in perpetuity, affordable housing. And it seems to work really well. So I'm thinking that that...that that may be a more appropriate solution than this. So that's what I had to say today I think.

UNIDENTIFIED SPEAKER: Ah, what?

CHAIR PALTIN: Thank you for your testimony, Mr. Mebel. Seeing no questions, the next testifier is Alan Cadiz.

MR. CADIZ: Hi. Can you hear me?

CHAIR PALTIN: Yes. You are on.

MR. CADIZ: Thank you for this opportunity, Councilmembers, to speak. My wife and I are just finishing off our mortgage on our house. We recently had an opportunity to buy a condo in the Minatoya List for my daughter, and we leveraged our house to do it. Now, I was told by our realtors that it was in the Minatoya List, and there's no chance of the County taking it away. The County's been trying to shut down vacation rentals in neighborhoods for a long time, which I get, but the Minatoya List was safe. So now I'm leveraged and I've got this condo that when my daughter...she's running it. She's doing all the vacation stuff through Airbnb. She's a great host. She's a star host, five star host. She's working really hard at it. The deal is, when it's paid off, the house goes to her. And now she's 22 years old, and before she's 30, she's going to be an owner in the housing market. Now, my problem is that I feel like this opportunity is being taken away from her. I realize it doesn't happen until it transfers, but it transfers to her, and if she loses that opportunity, she loses that income. There's so many people on here talking about this is outsiders, but this is...this is our opportunity to share in the tourism industry. Now, I get people are over tourism. I...I'm...I live here too. But you...if you kill the golden goose, what do you have to replace it? What industry does the Council have in mind to replace tourism? And I heard the gentleman before talking about it since he was in high school. You know, it's not going to be agriculture. That died. You know, what's it going to be to replace tourism here, real jobs to replace tourism? So before you take it away, you really need to think that through. This is bill 34. I'm clearly against it. I'm not going to speak on 28, but you know, I grew up on O'ahu, and construction was the industry there. Now, I don't want to see construction here more than anyone else, but I believe the lack of housing developments over the last 20 years has been the problem for why there's no homes here. I have another daughter that would like to move back here from California . . . *(timer sounds)*. . . but she can't afford a house here at a million dollars. So before you take away these...this industry

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

that belongs to a lot of residents, really think it through, because you really are taking it from us.

CHAIR PALTIN: Thank you, Mr. Cadiz, for your testimony. Seeing no questions, our next testifier is Jen Russo. Jen Russo, if you can unmute. Let me see if you're muted on our end.

MS. RUSSO: Hi. Can you hear me?

CHAIR PALTIN: Yes, we can hear you.

MS. RUSSO: Aloha, Chair Paltin and Councilmembers. Thank you for the opportunity to testify. I'm speaking in my capacity as Executive Director of Maui Vacation Rental Association. I'm testifying on PSLU-28 and 34. I will keep this brief. I know you've heard a lot of testimony today. Mahalo for all your hard work. On PSLU-34, we oppose this proposal. The legal impacts, the financial impacts, the unintended consequences that you've heard today, all contribute and point to this proposal being problematic. Vacation rentals in Maui County do support affordable housing on Maui. They were the largest contributor to the Affordable Housing Fund in Fiscal Year '22, with 8.5 million generated. Since 2018, Maui's vacation rentals have contributed 18.9 million towards the Affordable Housing Fund, and this was more than all the hotels, owner-occupied properties, and all other businesses combined. By eliminating units from this tax classification, we're gutting our County revenue source. Vacation rentals represent 37 percent of our County real property tax revenue, and as such are a huge part of our local economy. And they support a network of small businesses that keep their dollars spent in our local economy. These vacation rentals support our local families by keeping resident taxes low. Eliminating units from this category will only lead to increased taxes for our residents and a reduction in jobs to pay their rents. I hope this Committee considers informing the stakeholders here of any proposed changes to property uses taken by any actions voted on today. These folks, the owners and the businesses that support the legal vacation rental industry, bore no ill will in operating these legal enterprises and paid their taxes, and their use is completely legal. On PSLU-28 . . . *(timer sounds)*. . . I would just ask that the Council establish tourism management temporary investigative group formed under this bill, consider that the legal vacation rental industry on Maui is a legitimate and important part of our visitor accommodations on Maui, and include the contributions of this industry to their research. Thank you so much for hearing my testimony, and considering the testimony of the others today.

CHAIR PALTIN: Thank you, Ms. Russo. Seeing no questions. Thank you for your testimony. Next up, we have Tami O'Neill. Tami O'Neill. Let me check if you're muted on our end. Oh, there we go. We can see you, but we can't hear you. You're unmuted. Maybe if you unplug your headphones, because we can't hear you. We can see you. Can you hear us? Yeah? Can you try unplugging your headphones and seeing if maybe we can hear you then? We hear something. We heard something. We can't hear you right now. But is your mic...is your headphones plugged in? Oh, it's not...it's wireless. Can't hear you. So maybe Staff can chat the phone number for you to call in and then we'll try take your audio testimony that way, Mr. O'Neill. Okay. Call us on the phone per the

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

agenda. Okay. Next up we have Claire Apana. Claire Apana. Let me see if you're muted on our end. Yes. Let me unmute you. Okay, you're unmuted on our end, and you will need to unmute on your end. Claire Apana. Claire Apana, are you there? Okay. Testifier by the name of Pat. Oh, I see Wello is back on the call. Wello, are you there? We can take your testimony. Wello or Pat. Both of you have been unmuted on our end. Wello, are you there? We don't hear you. Oh, it looks like they dropped off. Pat, are you there? Okay. So Staff is asking if you're not providing oral testimony or are done testifying, if you would kindly disconnect from BlueJeans, and view the proceedings on *Akakū* Channel 53 or Facebook Live. You may also view the meeting at mauicounty.us. That just makes us...makes it easier for us to manage the testifier list and mute and unmute folks. So looks like we have another testifier signed up, Colin H. Colin H., I've unmuted you on our end.

MR. HAUBRICH: Yep. Can you hear me?

CHAIR PALTIN: Yes, we can hear you. Go ahead.

MR. HAUBRICH: I just want to thank you. Thanks for taking my call. I'm calling in to oppose the change in short-term rental with Minatoya Act. I have a condo on Maui, and you know, I bought the condo into the business knowing that we would be able to rent it and sustain [sic] some of the mortgage cost. My wife and I plan to retire there in the future, and this is a way for us to be able to afford living in Maui down the road when we choose to move there in our retirement. The rental allows us to sustain that. I think the comment that a previous caller made about how short-term rentals are not maintained, I would disagree with that. I think most people that rent on Maui want to maintain their condos in tiptop shape because a lot of the visitors and vacationers there expect a certain type of experience when they come to the condos, where with the intermediate or long-term rental, you can kind of put off the fix-ups, if you will, right. There's a little bit more tolerance and patience for not having painted the condo every year or two years. As a short-term rental, we have to maintain it every few years. That brings jobs to the island. My cleaning business and my...the cleaners are employed by cleaning our condo. And the type of visitors that visit the condo, it's a different type of experience in Maui that they're looking for. They're going to Maui, they're shopping local, they're touring local. They're not staying in the hotels and staying in the hotels and just doing the fancy tours. They're supporting a lot of the small businesses in Maui. I think this bill has not been well thought out. I think it devalues the condos and the economy in Maui, and it...and takes away a lot of tax dollars. Just as an example, my condo was actually a long-term rental when I bought it. When I purchased it, my tax bill doubled what the previous owner was paying. They were paying like 2,000 a year. I'm paying 8,000 a year in taxes. So I want you to carefully think about the impact that the taxes will have by converting these over to long-term rentals. Thank you.

CHAIR PALTIN: Thank you, Colin H. Can you let us know your last name for the record? Not sure I got it.

MR. HAUBRICH: Yeah. So Haubrich, H-A-U-B, as in bravo, R-I-C-H.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Thank you. Seeing no questions. Thank you for your testimony. I see Tami O'Neill says he's on the phone. Tami O'Neill, can you try and speak, if we can hear you?

MR. O'NEILL: Can you...can you hear me now? Uh-oh.

CHAIR PALTIN: We sure can, yes. And we can also...

MR. O'NEILL: Okay. Thank you. Sorry about the confusion there.

CHAIR PALTIN: No problem.

MR. O'NEILL: Yes, my...thanks for the opportunity to give some testimony on this. My name is Michael O'Neill, and my wife and I own a vacation rental condo in Kihei, and we're very strongly opposed to this PSLU-34 measure. Been coming to Maui for more than 30 years on vacation, had dreams of retiring here someday. We've always operated our property legally and paid very high taxes to the State and County, but without short-term rentals to support the two-bedroom unit, because we've...have a home equity loan, the expenses to rent it long term would amount to about \$3,200 a month, which I don't think is feasible for most people looking for long-term rentals. Most of our guests are repeat visitors that don't want to stay in a resort bubble hotel where they'll spend all their time and money. They want to support the local community in Maui. They love the people of Maui, as we do, and shop at all the small and local businesses. They go to the local restaurants. People at the big hotels don't do that. We employ local electricians, cleaners, locksmiths, painters, air conditioning, property managers, et cetera, which support the local economy. Somehow I think the responsible short-term vacation rental owners were lumped in with other owners who were renting bedrooms and other under the table situations to avoid taxes and compliance to the rules. The apartment condo owners, everybody I know, they're not part of that group. And I think if this goes through, we'll definitely not have an opportunity to retire in Hawai'i. I think this is...we'd be a victim of Government overreach that would just devastate the property value and have us look somewhere else for retirement. I really don't...lastly, I don't think this has a chance in...of getting affordable housing in Maui. That's a national problem, not just for Hawai'i. I think there are a lot of other ways to achieve what this measure is trying to do. Mahalo, and thank you for your time for these comments.

CHAIR PALTIN: Thank you, Mr. O'Neill. Where is it that you would be retiring from would be my clarifying question.

MR. O'NEILL: California.

CHAIR PALTIN: Oh, okay.

MR. O'NEILL: Yeah, we live in the San Francisco Bay Area.

CHAIR PALTIN: Okay. All right. Any further clarifying questions? Seeing none. Thank you so much for your testimony. At this time, we've gone through the list of who was still

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

on the call, and we've called a bunch of names and they didn't respond. So I'd like to make the last call for public testimony. Last call. Let me, let's see, unmute folks.

MR. SMITH: What about Mr. John?

CHAIR PALTIN: What about Mr. John? I called you, but you didn't answer.

MR. SMITH: Oh, okay. Oh.

CHAIR PALTIN: Go ahead. You can...you can start your testimony at this time. Please let us know your first and last name.

MR. SMITH: Sure, absolutely. Thanks for your time. It's Mr. John Smith. I also...I don't want to repeat everything that...I've been...that everybody else has said. And you were critical . . .*(inaudible)*. . . so I got two minutes. So I've been watching this for the last five and a half hours. So I don't have to repeat the necessity. We do not want to pass any of this, okay. Nobody's in favor of this. But I think the most stomaching thing is watching this for over five hours, and from Molina falling asleep, everybody going through their hair, cracking their knuckles, it looked like you were going through paperwork, cartoons. For five and a half hours watching all of this, you know what, you guys got to be professional. You don't know how sickening this is to us that we own property and our taxes went up in six years to \$10,000. I don't know how many people on the island are paying that except people like us. And when you talk about this, you know, my cat's got an appointment, my roast is in the oven this morning, when you were talking, that's unacceptable behavior. Be professional. And talking about...it almost seems like you guys are at...you always feel like you're in a different country. You're not. I'm going to tell you something. I'm...it's not about visitors. Somebody said, oh, let's not use grandfather clause, and she's not here no more. Oh, I don't want to use that, and you accepted it without a motion. I'm going to tell you something: we're Americans. Americans. This is American soil. I fought for my country 18 years. This is American, okay. It's not about Hawaiians. Nobody was a native there. So let's focus on what we're doing here. We're all Americans, okay? And that's what this is about. You're taking away our freedom. I fought for our country for 18 years. I'm...nobody on this panel did, okay. And when I buy into Hawai'i and Maui, it's because it's beautiful. She talked about the spirit. . . .*(timer sounds)*. . . It's not paradise no more.

CHAIR PALTIN: If you can please wrap it up, Mr. Smith.

MR. SMITH: Yes. And this shouldn't be like this. This has never been the aura of 'ohana, never been, and you're controlling the whole path of Maui and Hawai'i to be like this. It's sickening. Five and a half hours we've been listening to this, my wife and I. We're upset. I can't believe that you would even remotely think this. You want to help people out with housing, let's go. Let's put them inland. We'll pay for it like we've been doing. And that's what we do, we make adequate housing. We put it in Kalua, Makau *(phonetic)*, that's what we do. That's how you do it. You don't put them on direct oceanfront where it's a hazard. So I appreciate your time, but you got to understand

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

this is so upsetting, and it...you guys for five and a half hours, very disrespectful. This is not the culture of Hawai'i. It's...

COUNCILMEMBER RAWLINS-FERNANDEZ: I think that was a minute, Chair. I think that was a minute.

MR. SMITH: Thank you.

COUNCILMEMBER MOLINA: Madam Chair. Thank you.

CHAIR PALTIN: Thank you for your testimony. Seeing no questions for this testifier. Thank you for your testimony. And it looks like we have a couple more testifiers signed up. We got Kimberlee Lee, number 35. Kimberlee Lee, if you can please unmute yourself. Or let me check if you're muted on our end. Kimberlee. I don't see a Kimberlee Lee.

MS. LEE: I'm here. Can you hear me?

CHAIR PALTIN: Yes, we can hear you. Thank you.

MS. LEE: Great. Thank you. Good afternoon. Thank you, Council. My name is Kimberlee Lee. This is my husband, Keith. We own a condo at Maui Vista in Kihei. We've owned it for about 18 years. When we bought it, kind of like what I heard another person say, is with the intentions of retiring. We have about four years to go. It's...having our place as a short-term rental has made this opportunity for us. My husband's grandmother retired on O'ahu. We picked Maui. And hopefully...I'm asking you not to pass on this ordinance with a moratorium on short-term rentals. When we bought it, we knew it was a short-term rental. We did look at longer term kind of properties, but we knew those were for...more for the people who lived there all the time. So that's why we purchased a short-term rental. We're concerned that the values of the properties will go down if we're not able to continue to offer them as a short term. I understand it's a moratorium, and maybe this wouldn't impact us right away, because we have no intentions of selling it or transferring it, but I also think that this is not a good solution to affordable housing. I really understand the predicament you're in. It's very similar in a lot of cities across the U.S. I just think that we can work together and not have one group of people suffer for another, but figure out a way how we can make this work together. I understand that if you do convert these properties over, that you will lose a lot of the TAT tax. I know we just got an increase of 3 percent. So we're paying a total of 17 percent. And you know, that is a privilege to be able to pay that tax and to kind of contribute to the economy in Hawai'i, and specifically on Maui. Again, I just want to thank you for the time and ask you not to move forward . . . *(timer sounds)*. . . the bills on to the Council. Thank you.

CHAIR PALTIN: Thank you, Ms. Lee, for your testimony. Seeing no questions...oh, testifier...oh, Ms. Lee, you have a question from Chair Lee. Go ahead.

COUNCILMEMBER LEE: Yeah. Yeah, we Lees stick together. Ms. Lee, I just want to thank you for your testimony, and it's your kind of testimony that really hits hard, you know,

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

on us, impresses us a lot, because it...it's very sincere. And I'm not asking for clarification. I'm just saying thank you.

MS. LEE: Thank you very much. We appreciate you.

CHAIR PALTIN: Okay. So no further questions or comments. Thank you for your testimony. Next up, we have...oh, I guess we have a list. Next up, we have Zhanell Lindo, to be followed by 6659, to be followed by 5070.

MS. LINDO: Aloha, and thank you...aloha and thank you, Council. I get bad service, so I'm going to leave my video off.

CHAIR PALTIN: Okay.

MS. LINDO: Thank you for this opportunity to testify, and I testify in support of the moratorium. I wasn't going to...and I want to make sure it's for the record, I am testifying on my own behalf and as a private citizen. Moloka'i has benefitted so much from taking a step back and really trying to assess, how do we support the increase of population that we get, not just permanently, but temporarily. And I want to thank the Council. I think what motivated me to come on was the previous testifier with a lot of criticism about our Councilmembers and the way that they approach things. I want to just say thank you for sitting for five hours and listening to the concerns of your people. I want to thank you for making available this venue of technology so that people can actually be heard while we're still in a worldwide pandemic. And I appreciate you all very, very much. As...I am glad and blessed to not be offended as a kanaka that somebody who is not from here would take a stance as this is not about Hawaiians when you're in Hawai'i. And I would just like to say that there's a lot of emphasis being talked about how it devastates one portion of the community, but I as a Native fifth-generation Hawaiian want to say that we've been devastated for a lot of years, supporting industry and working because we had to. If we didn't have this kind of economy, we would figure out a way to thrive from the land and from the ocean, but that's not the world we live in right now. So instead of making worse what's already broken, how about we think of new things? Take a step back, take a breather, and stop being offended by what's already happened. And let's all get together figuring out something great, because it really excites me that so many people acknowledge the problem and set this idea . . . *(timer sounds)*. . . for whatever it's worth . . . *(inaudible)*. . . everybody to have better ideas than this one . . . *(inaudible)*. . . so far. So thank you very much and mahalo for your time.

CHAIR PALTIN: Thank you, Ms. Lindo. Seeing no questions for the testifier, I did get a message that Claire Apana had problems with muting and unmuting her microphone. And so we will give her an opportunity to see if she can unmute. She's unmuted on our end.

MS. APANA: Thank you very much, Chair.

CHAIR PALTIN: Okay. Go ahead.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MS. APANA: This...thank you. This is a very important issue, and I really applaud the Council for even trying to solve this problem, and it has become more and more of a problem. As I have seen through my life as a person who grew up here in Maui, and I still live in the house that I was born to, I'm not sure that people who have come here come with the notion that they are entitled to so many things. And yet, when our local residents, our long-time residents, such as myself, struggle to stay here...and perhaps we...I could make a whole bunch of money making my house into a short-term rental. I would never do that because of our people, and the effect on other people that need homes and the lifestyle which I grew up with, and watching this lifestyle be eroded by people who have come here to create something that came from somewhere else. This is not my idea of what my lifestyle would be when I got to this age. I never thought we would be looking at like eight projects in Makena, trying to build homes...luxury homes for other people. I never thought we would look at the Grand Wailea trying to dig up our iwi kūpuna one more time so that they could build swimming pools and rooms, and more rooms, and to pollute the ocean while they do this. I believe we really do need a moratorium. Moratoriums work. They help to stop what's going on . . .*(timer sounds)*. . . so that we can actually see what is there. And I thank you so much for doing that. And as a resident of this County for my life, I thank you for thinking about the people who really care, and who have been here. Mahalo.

CHAIR PALTIN: Thank you, Ms. Apana, for your testimony. Seeing no questions, moving on to the next testifier...is the testifier with the last four digits 6659. You're unmuted on our end. Go ahead, 6659.

MS. KNOX: Hello?

CHAIR PALTIN: Hello. Go ahead.

MS. KNOX: Can you hear me?

CHAIR PALTIN: Yes, we can.

MS. KNOX: Hi, this is Robin Knox. Aloha, Chair Paltin. Thank you for letting me testify. I would just like to bring this back to the point that this is to try to reduce the number of people on the island. The number of visitors we get greatly increases our population on any given day. Even if we were meeting the one visitor to three residents ratio that's in the plan, in places like Kihei, where I live, there would still be many more visitors to residents. And the taxes that are paid by these short-term vacation rentals do not adequately compensate for the cost of roads and water and wastewater infrastructure to handle that extra population. And even more importantly, money cannot replace or fix the loss of water resources, both the water supply...we're overdrawing our aquifers, and the water quality in the ocean is being decimated by the amount of nutrients being discharged by our wastewater treatment plants. And we saw during the pandemic when tourism was shut down that even the question of food security, we can grow enough food. We have enough infrastructure. We have enough water. We can have clean oceans if we don't have so many people here. And so I support both of these moratoriums, and anything that the Council considers that would reduce the number

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

of people here on a daily basis, because it is just too much. We're over our capacity. Thank you.

CHAIR PALTIN: Thank you, Ms. Knox. Seeing no questions, thank you for your testimony. Next up, we have the caller with the last four digits 5070. I have unmuted you, and if you can let us know your first and last name and begin your testimony. 5070? I think...is it star six to unmute, or star four, on your end? Star four. You've been unmuted on our end. I don't know if you need to press star four to unmute on your end. Okay. Well, we'll make another last call later on. Next up, we have the testifier with the last four digits 7506. 7506. You're unmuted on our end. Oh, wait. Now you're unmuted again on our end.

MS. CHAR: Okay. Hi. Can you hear me?

CHAIR PALTIN: Yes. Can you please let us know your first and last name for the record? And then begin your testimony.

MS. CHAR: Yes. Thank you very much. My name is Pat Char. I live in Seattle right now. I was born and grew up in O'ahu, and I spent summers in Makawao with my uncle and aunt, Tim and Mary Char. And I...after high school, I left for college and got a job on the mainland, which had more opportunities than in Hawai'i. I'm now looking at retirement. I have a place on Maui that I bought and used to stay, and also for short-term rentals that paid for maintaining the property. Without this opportunity, I would not have been able to look forward to returning to Maui and spending time there where my family lived and where I spent many of my summers. And I think there may be others of your neighbors' children and people who have moved from the islands for various reasons who will look for opportunities to return to the island. And having short-term rentals, for which they pay higher taxes, will give them that opportunity. I hope you don't cut that off, and I also hope that you consider the fact that the islands may eventually become a place where only wealthy people will be able to buy properties and hold them, because those will be the only people who will be able to have the properties without renting them. I am not . . . *(timer sounds)*. . . going to speak right now about any vested rights that I may have and the legal issues, but I did want to speak up on the other issues. Thank you for this opportunity.

CHAIR PALTIN: Thank you, Ms. Char. Seeing no questions from the Members. Thank you for your testimony. Next up we have Pat. I have unmuted you from our end. Pat, if you're ready to give testimony, you'll need to unmute from your end. After Pat, we have PJ. PJ, you are unmuted on our end. You will need to unmute on your end. Okay. Moving along, we have Autumn. Autumn, you are unmuted on our end. You'll need to unmute on your end. Seeing nobody unmuting themselves, I'll make a second last call for testimony. This is the last call for testimony. I'm going to unmute everybody. Unmute, unmute all. All right. Last call for testimony. If anyone would like to give testimony...oh, Dave Jorgensen. Got Dave Jorgensen. Go ahead and unmute yourself, and then followed by Kai Nishiki.

MR. JORGENSEN: Sorry. Did it work? Can you see me?

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Yes, we can see you and we can hear you. It's a little bit soft. I don't know if you can turn up the volume or speak louder.

MR. JORGENSEN: I don't know, but I will try and talk louder.

CHAIR PALTIN: Okay, perfect. Go ahead.

MR. JORGENSEN: Thank you all for your diligence and your commitment. I understand some of the frustrations that have been expressed, but I also understand what you guys are faced in doing this, and I commend you all for your dedication to this...this task. Good afternoon, Chair Paltin and Members of the Committee. My name's Dave Jorgensen. I am a registered lobbyist with the American Resort Development Association. I want to testify today in two capacities. One, on behalf of ARDA, in opposition to the moratorium bill. We did submit written testimony. I've spoken to you on prior occasions many times. So I won't...I won't elaborate. We did submit written testimony. We do continue to oppose the moratorium, and we believe there are other alternatives for addressing the problems that bill seeks to remedy. I do want to testify...I'll say as an individual. I'm not testifying on behalf of ARDA on PSLU...that...34. Really, I'm testifying from the perspective of a former Deputy Corp. Counsel who was at Corp. Counsel from 1992 to 1996. When I got there, I was assigned the task of working on what was, at that time, called the Takayesu Opinion Letter. It became the Jorgensen Opinion Letter. It then became the John Rapacz Opinion Letter, then the Kelly Cairns Opinion Letter, and on and on and on, until Richard Minatoya became the guy. From the beginning, it was as...and I commend Mr. Croly for his historical lesson. That was very accurate and very flashback *[sic]*, if I can use that word...make up that word. But from the beginning, it was acknowledged that the rights . . . *(timer sounds)*. . . of the, you know, that...oh, I'm sorry. That was a real quick two minutes. Anyway, I oppose this bill. My...the bottom line is, with all due respect to the drafters of it, it's bad law. It's going to get the County sued. I have clients who are looking at the difference between a few thousand dollars a month of income they could get from long-term rentals, for nice properties, to the income they are receiving of substantially more than that. In addition, the value of if it was...continued to be short-term rental, which is legal, which the Council codified, and the values to buy or to sell that property are going to be greatly diminished. So anyway, I as an individual strongly oppose that bill, and ask that it be tabled. Thank you very much.

CHAIR PALTIN: Okay. Seeing questions, we have a question from Chair Lee, followed by Member Sugimura.

COUNCILMEMBER LEE: Dave, I remember when you were a Deputy Corp. Counsel, but you were going to say...you named all the Deputies, and then, what was going to be your point right after that?

MR. JORGENSEN: That this has been worked on and essentially agreed that during all that time, the position of the County was that properties, in quotes, were grandfathered in, but there was this floating list, this list that wasn't set in stone, and it was not codified.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

So when people would call our office, or call the Planning Department, or call the Mayor's Office, or call the Council, they'd be told, oh, yeah, no, you're...you must be grandfathered in, and I hear your property's on the list. Ultimately, it culminated in 2014 with it being actually codified so there was an actual list.

COUNCILMEMBER LEE: Okay. Okay. Okay. Let me ask you another quick question. During your tenure as Deputy Corp. Counsel, were any ordinances reversed?

MR. JORGENSEN: Any ordinances...other...I mean, in...on...in general, other matters? Any ordinances?

COUNCILMEMBER LEE: Yeah.

MR. JORGENSEN: Not that I'm aware of, but as you may recall, I was primarily doing litigation. And I ended up doing the opinion letter on that. That stemmed from some claims being made against the County for people who didn't know. So that's how my litigation led me into working on the opinion letter. So I wasn't in the legislative side so much, but I'm not...I don't remember any.

COUNCILMEMBER LEE: Okay. All right. Thank you, Dave.

CHAIR PALTIN: Member Sugimura.

COUNCILMEMBER SUGIMURA: That's what I was going to ask him, to finish his example when the bell went off. So thank you very much, Dave, for the walk through history and the importance of . . .*(inaudible)*. . .

MR. JORGENSEN: You're welcome. And again, I thank you all for your time. I know this is not easy.

CHAIR PALTIN: Thank you. Okay. And moving on to the next testifier. Kai Nishiki, I think, asked to testify. Go ahead, Ms. Nishiki. You've got two minutes per item.

MS. NISHIKI: Good afternoon, Chair, Councilmembers. I'm testifying on both agenda items. I strongly support both of them. We're hearing a lot about losses today, investments, future opportunities, short-term rental income losses, retirement income, children of these...of these investors with their special interests and financial interests, and hardships of investors with not just one home, but two or three. These are luxuries, not necessities. Let's get to the real crux of the issue, the real visceral losses that are happening, families losing homes to off-island investors, single moms, generational families having to leave the island, kanaka being displaced from their homeland over your investment, losing our children, losing hope for life in our island home, losing the chance at a future here where we are born. Let's bring this conversation back to the basics, a roof over your head; back to the need, not the greed, not private financial investments, but community investments, what is good and right for our people. We have families, friends, strangers living all squished into unmanageable homes, brothers, sisters, mothers, the thousands we see posting desperately on social media and sobbing

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

in our kitchens, facing homelessness every day, losing their long-term rentals. Our housing crisis is happening now. Lots are saying, just build affordable housing. We cannot build...we cannot just build ourselves out of this crisis. We have limited resources. Every time a project comes up, we hear, what about water, sewer, traffic, trash. Every time a new project is proposed, there are outcries of like, stop building. These units are here. They're already built. They're already using water, wastewater, trash, our roadways. They should be housing our people, our workforce, our single moms. Even if the County and State have to subsidize these rents . . . *(timer sounds)*. . . it is worth it. I'll move into my second two minutes. Some are saying that these short-term rentals don't have enough storage or parking for long...or parking for long-term rentals. Really? I know so...

CHAIR PALTIN: I think the next two minutes would need to be about the moratorium.

MS. NISHIKI: Yes. And so for the moratorium, I completely support the moratorium on any more visitor accommodations. We have too many already, even with the previous item. You know, we don't need to have any more accommodations. We have them here right now. And so, you know, we're hearing all this other information about like all of these buildings have all of these issues on the shoreline. So great, looks like it's time for managed retreat, and that's where we should be moving towards, not more visitor accommodations, especially on our shoreline.

CHAIR PALTIN: Thank you for your testimony. Seeing no questions for the testifier, moving on to our next testifier. There was someone who was...who keeps typing in the chat, although I've repeatedly asked them not to. Ms. Marilyn, would you like to testify for real? I will unmute you because chat does not count as testimony. Marilyn, now is your chance to testify if you will unmute yourself. If not, you will be dropped from the call. Okay, go ahead and unmute yourself. You'll need to press the microphone button to unmute yourself, or call back. Okay. And then you're going to need to silence whatever other device you're watching on. Okay. Well, would anyone else like to testify at this time? Last call for testifiers.

MR. GATSBY: I would.

CHAIR PALTIN: Okay. There's a testifier by the name of Steve. I've muted you. If you're watching on another device, you're going to need to mute that device, because otherwise we'll get feedback and we won't be able to hear you. Are you watching on another device? Okay. I'm going to unmute you.

MR. GATSBY: I'm not watching another device, no.

CHAIR PALTIN: Okay, go ahead. We can hear you clearly.

MR. GATSBY: Yeah. Is there still an echo? There's still seems to be a bit of an echo. No, I just wanted to pipe in...really bad echo.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Yeah. Let me try...I'll try mute myself, but if you can let us know your last name for the record and see if that works.

MR. GATSBY: Gatsby. That any better?

CHAIR PALTIN: We'll see.

MR. GATSBY: Okay. Sorry. Technical issues. Actually, that might've actually been my fault. I might be on here twice. No, me and my...

CHAIR PALTIN: Mr. Steve, are you simultaneously watching the meeting on your computer?

MR. GATSBY: Oh. There we go. Are we okay now?

CHAIR PALTIN: Yes.

MR. GATSBY: Okay. My fault, my fault. Technical issues.

CHAIR PALTIN: Okay. If you can let us know your last name and then begin your testimony.

MR. GATSBY: Last name Gatsby. Yeah, I actually work in a bit of a techy industry, so that's kind of embarrassing. So...no, me and my family...I'm...I...you know, we worked, you know, about 20 years. We got a place. We bought...we bought a condo. What allows us to do it is to...obviously to be able to rent it. I'm sure you've heard that from like a lot of different people. No, we absolutely love Hawai'i. We...you know, it's absolutely amazing. What I don't really understand is just...you know, I know there's different proposals. One proposal is to create like a moratorium on if, you know, you sell your place, the reseller, you know, whoever you sell it to, can't rent it. So obviously, the problem with that is the resell price. But there...I heard there's another one floating around that there could be complete moratorium on being able to rent our units as current. And I just hope that's not...that's not an actual possibility. You know, like this is, you know, it comes down...to me, it's property rights. It's the same that I can't go into somebody else's house and take something from them, or I can't go and...go and remove something that has belonged to somebody else. I'm sure this is...this is being discussed with Maui, and I'm sure that your guys' lawyers are all involved with it, but you know...you know, has it been considered, you know, that there would be a lot of lawsuits involved from various stakeholders? I think there's 5 to 7,000 single, you know...that could get affected by this and have their property rights impacted. To me, as a city...I have friends that work at a city locally to me, and you know, there could be like a flood of lawsuits hitting the State *[sic]* of Maui, which could cost tens of millions of dollars to the State *[sic]* of Maui just to fight it, let alone, you know, everything else that they could lose. I mean, besides that...I mean, that...to me, that would seem like a fairly scary proposition that they wouldn't want to get entangled in for a decade of endless lawsuits coming from thousands of stakeholders in this. But I just don't know if that's...if that's being considered or if...you know, I just wanted to throw that . . .*(timer sounds)*. . . forward here.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Thank you for your testimony. Seeing no questions. Thank you so much.

MR. GATSBY: Thank you.

CHAIR PALTIN: Anyone else would like to give testimony at this time, please unmute yourself. We've unmuted everyone. So if anyone would like to give public testimony, this is the last call for public testimony. Please indicate in the chat. Going once, going twice, going three times. All right. Public testimony is closed, and everyone besides the Members, and the resource, and the Staff will be dropped from the call. And you can then watch the call on one of our other mediums. There's Facebook Live, mauicounty.us.agendas [sic], or Akakū Channel 53. Okay. So without objection, I will accept written testimony into the record.

COUNCILMEMBERS VOICED NO OBJECTIONS.

. . . END OF PUBLIC TESTIMONY . . .

CHAIR PALTIN: All right. So written testimony has been admitted to the record. And Members wishing to speak during today's meeting should say my name and raise their hand so that I may recognize you. The time is now 3:09, and it doesn't look like we're going to be able to take up both agenda items in the time remaining.

**PSLU-34: PHASING OUT TRANSIENT ACCOMMODATIONS IN THE
 APARTMENT DISTRICTS (CC 21-422)**

CHAIR PALTIN: And so the second agenda item, PSLU-34, we didn't get the second bill posted when we posted the agenda. So we wouldn't be able to talk about the second bill...or the second proposal, only the first proposal, but I think it was very helpful to get all the testimony and feedback. And then the second bill is posted on Granicus. So that does give Members a lot to think about. And so if there is no objection, I think we will take all the feedback, take a look at the two bills that have been posted to Granicus, and if there's no objections, I'll defer that item at this time. This is...we're talking about PSLU-34 on the agenda, and that was the Phasing Out of Transient Accommodations in the Apartment District, PSLU-34. And we can repost it with the other bill that had been posted and any revisions folks have to make in regards to feedback from the testimony. So would anybody like to speak to...or would Members want to defer PSLU-34 at this time? Member Molina.

COUNCILMEMBER MOLINA: Yeah. Thank you, Madam Chair. Now, just for my information and everyone else's that...do you have any timetable when you're going to repost this item for a future Committee meeting?

CHAIR PALTIN: Oh, I don't really have a timetable for reposting. We have some--what do you call--Charter deadline items that we would obviously try to take up as soon as we can. So this item is just for us to refer to the Planning Commission. So we want to get as

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

tight a bill to refer it, but there is no Charter deadline. So it would obviously take a backseat to all of those items.

COUNCILMEMBER MOLINA: Okay. Thank you very much, Madam Chair.

COUNCILMEMBER JOHNSON: Sure thing. Member Sinenci.

COUNCILMEMBER SINENCI: Yeah. Thank you, Chair. And yeah, I just will take your lead in deferring this to another time. I just wanted to thank you for the opportunity, putting it out there onto the press release, and then inviting our constituents to come on and express themselves. So again, mahalo for having the extra time to listen to everyone. Thank you.

MS. BALALA: We couldn't lock it until testimony was closed. So...but now, I mean, like...

CHAIR PALTIN: Oh, Clarita, you're not muted, Clarita. Sorry. Okay. Yeah. So I think it's...we did get a lot of good feedback. And when we repost, we'll repost with taking the feedback into account, and repost with bills, whether they're amended or not, and then, you know, obviously in concert with speaking with Corp. Counsel, we may need to go into executive session if we repost. Okay. So...yes, Chair Lee.

COUNCILMEMBER LEE: Yeah. That was one of my questions is we're probably going to need to have a handle on the economic impact of that. So we need Finance and anybody else who can let us know how our budget is going to be affected, as well as our legal liabilities.

CHAIR PALTIN: Um-hum.

COUNCILMEMBER LEE: Because...

CHAIR PALTIN: Yeah, we did ask for Finance at this meeting, but since we're going to defer it, we let them go.

COUNCILMEMBER LEE: Okay.

CHAIR PALTIN: But yeah, it...we will make sure all our I's are dotted and our T's are crossed. But it is good, I think, to have heard feedback from across the spectrum for when we repost again. Yes, Member Kama.

COUNCILMEMBER KAMA: Thank you, Chair. I was wondering if we could hear from the people that do our bond ratings too?

CHAIR PALTIN: Yeah. When I repost, I can ask for those people to be on the line as well.

COUNCILMEMBER KAMA: Thank you. Thank you, Chair.

CHAIR PALTIN: Sounds good. Okay. So if there are no further comments, questions, concerns...oh, Member Sugimura.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER SUGIMURA: Yeah. So another...if we're able to request for the Destination Management Plan, which is being...there's public meetings Maui, Lānaʻi, Molokaʻi, by HTA. So I wonder if somebody from...can you hear my chickens roosting outside? Can you hear that? Anyway, so the...I wonder if you could have a representative from that group, HTA, also present for that...for this particular bill, the impact? That was one of the...

CHAIR PALTIN: For the phase-out?

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR PALTIN: I can consider it, but I don't know that that is...that we'll have time, you know? And they can provide testimony like others, but I think, you know, what we're considering...what I'm considering in terms of the bill that I posted and the research that I asked from the GIS is 3,000 units out of close to 25,000 units. So I don't know if it has as big of an impact on the Tourism Authority or Destination Management Plan as what was originally proposed. I did hear from a realtor friend earlier about, you know, how the shoreline properties do definitely cost more to upkeep, and you know, their valuations are much more as well. So I think it is a good compromise. And we wouldn't want to put our residents in areas that are in jeopardy of sea level rise exposure. But I'm not sure that I would need the Destination Management folks as a resource for TVR phase-out of approximately 3,000 units. There's still, I mean, over 4,000 units in just the A-1, A-2 districts.

COUNCILMEMBER SUGIMURA: So thank you for that, but you can hear from like the testimony today then, of the many people just wondering who is going to get impacted by the resolution...I mean, I'm sorry, by the bill, I guess, that Keani submitted yesterday.

CHAIR PALTIN: We're not talking about Keani's bill because that wasn't posted with the agenda. So we can't discuss that.

COUNCILMEMBER SUGIMURA: Okay. Well, we will...we will, right? So that's going to be my request. Thank you.

CHAIR PALTIN: Okay. I think Member Rawlins-Fernandez raised her hand, followed by Member Kama.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. And this bill will be sent to the Planning Commission anyway for further feedback and vetting. So that's the process.

CHAIR PALTIN: That's right.

COUNCILMEMBER RAWLINS-FERNANDEZ: We wouldn't like pass it in the next Committee that it's scheduled in. There...it's...it has a long way to go, a lot of community opportunity to provide input, a lot of opportunity for entities to provide input on the potential impact. So it's...you know, it's not going to pass out by the end of the year or

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

anything. There's lots of time. And Members can also, you know, meet with whoever they need to to understand the impacts as well. Mahalo, Chair.

CHAIR PALTIN: Okay. Thank you. Member Kama.

COUNCILMEMBER KAMA: Thank you, Chair. So I have another question. Did I understand in discussions earlier among us that in order for us to ask or to get some sort of legal opinion about the impacts, that we'd have to go into an executive session? Or could we just not ask them now? Did I understand that correctly?

CHAIR PALTIN: So if we want to know the legal impacts, it would be advisable, I think, to go into executive session because...

COUNCILMEMBER KAMA: Okay. Okay.

CHAIR PALTIN: But yeah, we're not doing that now.

COUNCILMEMBER KAMA: Oh, definitely not. Thank you, Chair.

CHAIR PALTIN: Yeah. Okay. Chair Lee.

COUNCILMEMBER LEE: All right. We're deferring PSLU-34.

CHAIR PALTIN: Correct.

COUNCILMEMBER LEE: And we're also deferring 28?

CHAIR PALTIN: No, we were going to start discussing 28 after we defer PSLU-34. And I was going to try and give you guys like a ten-minute break, a mid-afternoon break, if you guys were into it.

COUNCILMEMBER LEE: Is your intent to pass out 28 today? Is that your intent?

CHAIR PALTIN: Well, it's posted to have legislative action, but you know, I'm not trying to railroad folks. I just want to start the discussion. I mean, maybe we'll need to recess until the next date, but I think the most that it can be recessed is 14 days. So I would need to switch dates if we recess because I'm not on my regular day right now. I switched dates for...to accommodate all the testimony that we anticipated. But if we can defer PSLU-34 at this time, I can give you a ten-minute break if that sounds enticing.

COUNCILMEMBER LEE: Okay. I'll take that.

CHAIR PALTIN: Okay.

COUNCILMEMBER MOLINA: Chair?

CHAIR PALTIN: Let me let Member Molina speak real quick.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER MOLINA: Yeah, sorry, Chair. Just one request for PSLU-34, if maybe under your signature, or maybe, you know, if the Department has coordinated with the Finance Department to...how they're going to be able to enforce this ordinance should it pass. So I don't know if you have the answer, but if that could be posed as a question to the Planning Department.

CHAIR PALTIN: How they can enforce the ordinance if it passes?

COUNCILMEMBER MOLINA: Yeah. Or if they've already had discussions with the Finance Department as to how they're going to enforce this bill.

CHAIR PALTIN: Okay. I mean, it's...the bill hasn't shapen [sic] up into something substantial yet, but I would imagine it would still be under the lodging rev contract, and they would just indicate which properties are no longer legal if something passes, and then it would go into that same mode that everything else is enforced under.

COUNCILMEMBER MOLINA: Okay.

CHAIR PALTIN: But you know, I think it is a little soon because we don't know what shape or form the bill is ultimately going to take, like Mr. Moran, who's so cognizant, pointed out.

COUNCILMEMBER MOLINA: Yeah. Yeah, good point, Madam Chair. And I think it's important that...I think Member Rawlins-Fernandez made the point that a lot of people may not have been aware, we're just considering referring the matter to the Maui Planning Commission. I think people were setting some fire alarms out there, you know, alleging the Council was going to make a decision today on the bill. That's possibly why we had a lot of testimony, people who were under the impression which...we were going to take action today, which is far from the truth. So everything is...you know, we've been saying, still in its infancy, we're taking public opinion, whatnot. So I just plead for those out there, get the facts first as to what types of action we'll be taking, read the agenda so not to get a lot of other folks stirred up and give folks the wrong impression that we're going to take action on something that we didn't intend to. The only action, again, is to refer to the Maui Planning Commission for their opinions, and then it comes back to us, and at a future point we may consider it. Yeah.

CHAIR PALTIN: And we're still in the process of honing in what exactly it is we want to refer to the Planning Commission, but it is, I think, good to get the feedback upfront, because that does help us in crafting the legislation that we would like to get the feedback on, because as you know, we can't deviate too much from what gets sent to the Planning Commission.

COUNCILMEMBER MOLINA: Yeah.

CHAIR PALTIN: So we're still in the process of honing in exactly what it is, and I think with the feedback we received today, the next time we are able to post this item, it'll be more

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

clear. And we have a lot of information that we can gather between then and now so that we can post it very clearly.

COUNCILMEMBER MOLINA: Yeah. Okay. Mahalo, Chair.

CHAIR PALTIN: Yeah. It was...it wasn't...it wasn't--I don't know what folks would say, a waste of time or anything--because the feedback that we did receive was all very valuable feedback. There were passionate voices on both sides of the matter. And so we just need to find our way to balance all the concerns and all the issues. It's not an easy issue. So with no...oh, Chair Lee.

COUNCILMEMBER LEE: My concern is that we...I don't think we should send incomplete bills to the Planning Commission that need a lot of work, you know?

CHAIR PALTIN: Yeah. That's why we're going to...

COUNCILMEMBER LEE: I mean, I think we should do as much work as we can, and then send it. Because what happened is I think the Planning Commission got confused. And it's very rare that they send us a bill. You know what I'm saying?

CHAIR PALTIN: Okay. Okay. I think...okay.

COUNCILMEMBER LEE: So we have to be careful. Let's not just send them an idea.

CHAIR PALTIN: Yeah.

COUNCILMEMBER LEE: Let's send them the whole thing that's ready to go, and then get the feedback. Okay. Thank you. Thank you.

CHAIR PALTIN: Yeah. So we're not going to send them PSLU-34. We're not going to do that because we're still . . . *(inaudible)*. . . And so if there's no further objection, I'd like to, at this time, defer PSLU-34.

COUNCILMEMBERS VOICED NO OBJECTIONS. (Excused: KTK)

ACTION: DEFER PENDING FURTHER DISCUSSION.

CHAIR PALTIN: All right. And if there's no objection, at this time I will entertain a ten-minute recess. So we'll be back at about 3:35. Pause for the cause.

COUNCILMEMBER LEE: Yes. Thank you.

CHAIR PALTIN: All right. . . . *(gavel)*. . .

RECESS: 3:24 p.m.

RECONVENE: 3:37 p.m.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: . . .*(gavel)*. . . Will the Planning and Sustainable Land Use Committee meeting of November 3rd, Wednesday, return to order. The time is now 3:37, and we're reconvening from our afternoon recess.

PSLU-28: MORATORIUM ON NEW TRANSIENT ACCOMMODATIONS ON MAUI
(CC 21-280)

CHAIR PALTIN: The agenda item that we will be working on right now is PSLU-28, Moratorium on a New Transient...on New Transient Accommodations on Maui. And so the path that this has taken, the Committee is in receipt of the following: County Communication 21-280, from Council Vice-Chair Keani Rawlins-Fernandez, transmitting a proposed resolution referring to the Maui Planning Commission a bill for an ordinance to establish Chapters 19.98 and 20.41, Maui County Code, declaring a moratorium on new transient accommodations on Maui; number 2, Miscellaneous Communication from the County Clerk reporting that on June 18th, 2021, the Council adopted Resolution 21-98 relating to referring to the Planning Commission...Maui Planning Commission a bill for an ordinance to establish Chapters 19.98 and 20.41; number 3, County Communication 21-377 from the County Clerk reporting Council failed to override the Mayor's veto of Bill 60 (2021), relating to an ordinance amending the building code to add Chapter 40, relating to a moratorium on building permits for visitor accommodations; number 4, correspondence from Corp. Counsel dated October 28th, 2021 transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE ESTABLISHING CHAPTER 19.98 AND CHAPTER 20.41, MAUI COUNTY CODE, DECLARING A MORATORIUM ON NEW TRANSIENT ACCOMMODATIONS ON MAUI." And I may have misspoke slightly. So this is Councilmember Rawlins-Fernandez's bill that went through the Planning Commission, got amended, some things got added, and then it went through Corp. Counsel for legal review, then it made its way back to us. And then Member Rawlins-Fernandez's Staff sent us a Ramseyered version of the bill that she sent that ultimately ended up as the Planning Commission's version. And that would be on your Granicus as item 9. And that's just to help Members if they want to see...try to see the difference as it came back from the Planning Commission. The Planning Commission did not touch the 20.41 version because they only reviewed the section...Chapter 19. So that's the only area where there was changes, I believe. And then this bill has been signed off on by Corp. Counsel is my understanding. It applies Island-wide. And we have, I believe, Ms. Takakura on the line for a presentation from Planning. Ms. Takakura, are you there? Or Ms. Aoki? Or...I'm not sure who it is.

MS. TAKAKURA: Good afternoon, PSLU. Hanging in there this long.

CHAIR PALTIN: Oh, good afternoon. Thanks so much for sticking with us today.

MS. TAKAKURA: Are you ready for a presentation? I'm going to share screen if that's all right.

CHAIR PALTIN: Yeah, we're ready for you. Bring it on.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MS. TAKAKURA: I wish I could say this is a really short presentation, but it's...I'm trying to keep it short, but there is a lot going on. And so I think it's important to really just, you know, focus on the issues of what's going on.

CHAIR PALTIN: Okay.

MS. TAKAKURA: So we're looking at the proposed moratorium on new transient vacation accommodations. As mentioned, it started out as Resolution 21-98. And you know, this came out back in June, which...that's a long time ago. So let's review some key points of this moratorium. It's proposed for two years, with a possible six-month extension. It proposes revisions to Titles 19 and 20, and then as mentioned, for zoning, our swim lane is Title 19. So that's what we looked at, but Title 20 is a parallel to 19. So it's the two. It defines new transient accommodations as any structure intended to be used for transient accommodation--and that's hotels, time shares, short-term rental homes, transient vacation rental units--that is not in operation as a transient accommodation at the prospective date of the ordinance, and excludes bed and breakfasts. So the moratorium proposes that no permit applications or permits be accepted or granted by any board, commission, agency for new transient accommodations. Oh, the reasoning for the proposed moratorium, it's in the beginning of the bill, that a moratorium on new transient accommodations would 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, provide the County with clear policy direction for day-to-day decision making to work towards resilience. So I just want to go over two parts of that reasoning, first being the maintaining the status quo, and then secondly, the working towards resilience. So first question, and this was brought up previously, is what is the status quo. And these numbers are from Real Property Assessment Division. And you can see, Maui County has a variety of vacation rental types: hotels, condos, single-family homes, so forth. And they total about 24,000. Another thing to think about when looking at this number is what is that 24,000 in relation to other parcel types that we have in Maui. Just for comparison, according to Real Property Assessment, the number of homeowner exemptions is 27,680. That's as of April 2021. So just for comparison, homeowner exemptions, 27,000, and visitor lodging units is 24,000. That's just for some context of what the status quo is. The second part of that definition is the term resilience, and working towards resilience. The real simple definition of resilience is the ability of a system to cope with shocks and keep functioning in much of the same kind of way. So that bottom half of the screen, I just have a little bit more complicated, but more scientific, type of definition from the Intergovernmental Panel on Climate Change. And that's being able to cope with a hazardous event, or trend, or disturbance, finding or reorganizing ways that maintain their essential function, identity, and structure, and also maintaining the capacity for adaptation, learning and transformation. And so that's what the goals are, is to work towards this resilience. So what do the long-term planning documents for the County have to say on this subject? It turns out a lot. And some of these terms were already brought by some of the testifiers, but these here that you see before you are from the Countywide Policy Plan, and that provides broad goals, objectives, policies, and implementing actions that portray the desired direction of the

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

County's future. And it includes these relevant objectives: supporting the renovation and enhancement of existing visitor facilities; limiting the number of visitor accommodation units and facilities in Community Plan areas; maintaining a sustainable balance between the resident, part-time resident, and visitor populations; discouraging new entitlements for residential, resort, or commercial development along the shoreline. Next we have the Maui Island Plan, and that establishes growth areas that indicate where development is intended and will be supported. The Maui Island Plan's goals, policies, programs, and actions are based on an assessment of current and future needs and available resources. Chapter 4 of the plan, which is on economic development, includes these here. You can see: comprehensively managing future visitor unit expansion; allow, where permitted by the community plan, the development of business, hotels, and small sensitively-designed inns; managing the impacts from transient vacation rentals, hotels, bed and breakfasts, time shares, and resort condominiums on residential communities, public infrastructure, and community facilities; discourage the planting 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 Plan should consider establishing standards, such as limits on building size, room count, and the number of units, if any, that will be allowed in small towns. Also managing transient vacation rentals through permitting in accordance with adopted regulations and community plan policies; developing programs or regulations to 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; capping the number and type of visitor accommodations that can be permitted; and managing the number and type of visitor accommodations that can be permitted. And then lastly, the one we've heard many times is promoting a desirable island population by striving not to exceed an island-wide visitor population of roughly 33 percent of the visitor population. So since June, the Planning Department, the Maui Planning Commission, and Corporation Counsel reviewed the proposed bill for ordinance and made five revisions. Here's the first one, and that's to add a way to determine transient accommodation use. And so the addition is what you see underlined, simply that verification of use may be determined by real property tax class, payment of GE and TAT tax, and advertising. The second proposed revision is just to split up the exceptions for existing and nonconforming uses because they are allowed to do the use based on different parts of the Code. And so uses that are allowed by Code, like say if it's in a hotel district, that would follow what we have underlined here as number 1, that they can perform renovations or repairs that do not increase lodging capacity or expand the structure beyond the boundaries of the existing structural footprint. And then number 2 is for nonconforming use, or legacy use, that they would still have to comply with our chapter that...it takes the nonconforming uses, which is Chapter 19.500.110. Third is regarding the exceptions for providing affordable housing, and there are three parts here. And this is based on feedback from the Department and the Commission. The first part is that the Commission proposed that the number of affordable housing be reduced to one affordable housing unit for every three transient accommodations. They were concerned that a one-to-one ratio would completely discourage the development of affordable housing. So that's what you see for E. And then for number 1, we propose to add below moderate and moderate income residents to the pool of eligible residents, because even they cannot afford a mortgage in the current market. So that would just

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

open up the pool for more housing for a wider range of residents. And then the...what you see as number 4 here, the Commission really wanted to ensure that units are built, not credits. So housing credits may not be issued to, or used by, the developer to satisfy the requirements for any type of unit constructed. Okay. So this one is a little bit long. This is revision number 4, and this is the proposal to allow properties to move out of harm's way...

COUNCILMEMBER LEE: Chair, can I ask a question?

MS. TAKAKURA: Yes.

COUNCILMEMBER LEE: On the previous statement, on the previous slide?

CHAIR PALTIN: Yes, please do.

COUNCILMEMBER LEE: Okay. Jacky, my understanding is that the Commissioners settled on one housing...one housing unit for every four transient accommodation units.

MS. TAKAKURA: So it was...it's just like that one-third of the ratio, where you have four, and it would be one for every three. I'll check the minutes, but that was our understanding, that it would be one for every three, totaling four and rounding up, but we can verify this.

COUNCILMEMBER LEE: Yeah, please check the minutes, because my understanding is one to four.

MS. TAKAKURA: Yeah. Okay.

COUNCILMEMBER LEE: Thank you.

MS. TAKAKURA: Definitely, we'll check. And speaking of minutes, I...we were able to get the summary minutes, and I did email that to you. As you can imagine, this was a really long meeting from like 9:00 to 4:00, kind of like the one we're in now. And so it takes a really long time for our minutes. But I did put the summary minutes...I emailed them to the PSLU Committee. And I will double check on that.

CHAIR PALTIN: Okay. Staff, if you can upload that to Granicus, thank you.

MR. LEAUANAE: Will do.

MS. TAKAKURA: Okay. So number 4, this is the one where there's a lot of words, but it's basically providing the opportunity for some of the properties who are in harm's way to move out of that area. And that is specifically regarding sea level rise exposure area or coastal flood hazard zone with sea level rise. And what it would be is that...the exception would be that new transient accommodations could be allowed in order to relocate existing accommodations away from these hazards. And I'm going to show you some images that demonstrate this. For number 1, that you would see from the Pacific Islands

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

Ocean Observing System that there were parts of the islands that are in these areas, either the sea level rise exposure area of 3.2 feet, or in the coastal flood hazard zone. And if the property's in one of those zones, and they can develop outside of the zone, then that would be allowed, provided that the existing units are demolished and removed, and construction of the new units begin within ten years from the issuance of permits. And then also, that the existing...I said, demolished and removed--and that the new units can't be occupied until the demolition begins, and that...of course, that the number of units...the same. And so the next slides just show some screenshots of this website, the Pacific IOSS...IOOS, and you can see like in North Kihei, the red line, or even here in South Kihei, is the coastal erosion line. And the blue is the coastal flood hazard zone with the 3.2 feet of sea level rise. And so I think North Kihei's probably a little bit lower. So you can see more of a area that's at risk, whereas further down in South Kihei, I think, where the properties are at a little bit higher in elevation, it's not quite as bad. This is Kā'anapali to Kapalua and Lāhainā here. You can see there would be some areas that are at risk. And this is Mā'alaea. So it would give those properties an opportunity to relocate.

COUNCILMEMBER SUGIMURA: Chair? Tamara?

CHAIR PALTIN: Member Sugimura has a question for you, Ms. Takakura.

COUNCILMEMBER SUGIMURA: Yeah. So as you're going through this, do you have, you know, Kahana Bay on any of these illustrations?

MS. TAKAKURA: I can look that up. I do have...let's see. Kahana Bay would probably be somewhere around here. This is Nāpili-Honokōwai. There's a lot of properties down here you can see, and then some here, some structures that are really at risk.

CHAIR PALTIN: Yeah. Right where her arrow is...is about there, Kahana.

COUNCILMEMBER SUGIMURA: Kahana Bay. So where the red is, Jacky, is the danger zone, so to speak, for sea level rise. And the properties that are at Kahana Bay where your arrow was, are they on the more blue side, or where are they on the line?

MS. TAKAKURA: They look to be mauka of the...that sea level rise, but they're makai of the erosion zone. So even though they may not be subject to sea level rise, they would be subject to the erosion problem. I see that Member Sinenci has a question.

CHAIR PALTIN: Oh, Member Sinenci, did you have a question?

COUNCILMEMBER SINENCI: Yeah. Thank you. If you had a shot of the Sugar Beach area, I guess, North of Kihei. I thought you had that slide of...yeah, further up.

CHAIR PALTIN: And this is item 8 in your Granicus as well.

COUNCILMEMBER SINENCI: Yeah, that area. Okay.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MS. TAKAKURA: I think this bigger area is kind of getting towards...because this would be that Mokulele...or I mean Veteran Highway, Kihei Road intersection. My mouse is moving. So probably around here, probably Sugar Beach. And then this is going towards Mā'alaea.

COUNCILMEMBER SINENCI: Going towards...yeah, going towards the bird...okay, thank you.

MS. TAKAKURA: And then also, probably on the Ma'alaea one, down here, you can see getting towards the Keālia Wildlife Refuge, going that way. I can share the link to this website. It's fascinating, the information that is available from the . . . *(inaudible)*. . .

COUNCILMEMBER SUGIMURA: Please.

MS. TAKAKURA: But the proposal, anyway, is to allow...you know, say a property is in here and they are able to relocate, that they could. And they could take that right to conduct a vacation rental with them. That's the proposal. I do have one more revision, and this is towards the end of the bill. Originally the bill...you know...you know how they have the ending part. For this one, it said that the application would have to be properly filed and complete, but the Commission didn't want to penalize an applicant if a form was missing or something minor. They were good with allowing an application to proceed if it was simply properly filed. And that's okay with the Department too. So we took out the part about saying that it's complete filed. It's just properly filed, and that's okay with us. In terms of the Maui Planning Commission's comments and concerns, you know, they did discuss this at length because it's a really important issue for the Island of Maui. And in terms of the bill itself, you know, the things that were important to them was having good data to make the good decision and . . . *(inaudible)*. . . clear about the goal of the bill. For the community, their concerns were housing, quality of life, and then making sure we have good community input on this issue. Then there was a lot of conversation about the economy. They wanted to ensure that it affects units only and not other parts of the tourism industry, like restaurants. They were concerned about jobs. They also noted that, you know, the two years or two and a half years, it's not really a long period. So you know, maybe the impact might not be as severe. It might be all right. And as you heard from the Commission Chair, you know, the concern about the trades and the jobs. Another comment was that tourism is out of balance, but this bill would...and this bill would not fix everything, but it's a step in the right direction. Can't build forever, and we need diversified industries, and we do want higher quality tourists, and we don't want Kiheikiki *[sic]*. And after a very long day, they did decide to support the bill with the revisions. So that's all I have. I can stop sharing now and then I can always come back to any of the slides if you need.

CHAIR PALTIN: Thank you, Ms. Takakura. And Members, just to let you know, this is item number 8 in your Granicus, presentation from Planning. Okay. So Ms. Takakura, I guess one question was...I forget the gentleman's name, but he was asking about 19.98.040(D). If...

COUNCILMEMBER RAWLINS-FERNANDEZ: Derek Kanoa.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Hmm?

COUNCILMEMBER RAWLINS-FERNANDEZ: Derek Kanoa.

CHAIR PALTIN: Oh, yes, Mr. Kanoa. If changes, adjustments to existing prior approvals would be allowed with this bill. And I'm not sure if we should be asking Corp. Counsel instead of you, Ms. Takakura, unless you knew?

MS. TAKAKURA: I would have to double check the language, but I don't see that being a problem. And then I'd defer to Corporation Counsel.

CHAIR PALTIN: Okay. Ms. Chen, can you verify if any changes, adjustments to existing prior approvals would be prohibited with the language in the bill currently, per Mr. Kanoa's concern?

MS. CHEN: Thank you, Chair. I'm going to defer to Mike Hopper, who signed off on the bill.

CHAIR PALTIN: Oh, sorry. Mr. Hopper. Thank you.

MR. HOPPER: Thank you, Chair. I think whatever your intention is, we can be clear on that. Right now it says a time extension...this would not apply to any time extension for permits or approvals permitted prior to the effective date of this ordinance. I think that would be seen as pretty strict to the time extension itself, that if you wanted to do a lot of modifications, that could...that could be problematic with the existing language, unless this Council wants to, you know, allow for something like that. But obviously, there's a degree. I mean, if someone wanted to add, you know, 50 rooms or something, that seems to be inconsistent with the purpose of the moratorium within that period. But I think the intention was for...just to extend the time to do a project that was already approved, like if they needed an extra five years; but if they're coming in for changes, that could be viewed pretty strictly. If you want to allow some changes, I think maybe looking at that...that's the language to do that...I think you could do that. It's sort of whatever you would like as far as an exception. But right now, I think the purpose is just to say that if you're extending something you've already been approved, then that would be not subject to the moratorium. You wouldn't lose the right to build what you wanted to if the time expired and you applied for an extension.

CHAIR PALTIN: Yes. Like for me, I think, you know, if they need a time extension within these next two years for something they haven't gotten underway, I'm not really for that, but if they want to make minor changes and adjustments that wouldn't increase the room number, I'd be okay with that. Member Rawlins-Fernandez...so we've had Planning's presentation. We had some comments from Corp. Counsel. Any further questions for the Planning Department on their presentation at this time?

COUNCILMEMBER RAWLINS-FERNANDEZ: I don't, Chair. I'm ready to make the motion, and then we can proceed. It's very similar to the bill that was proposed by Member King that we had lots of discussion on. And you know, I'm happy to make the motion. And I'm open to Mr. Kanoa's proposal as you stated.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Okay. Mr. Hopper.

MR. HOPPER: Can I just make one quick comment? I just wanted to say I did go over this a few times, and just to bring the idea there, I don't know if the Title...the Chapter 20 change is necessarily required. I think the Title 19 change could accomplish the goals, as it would, I think, prohibit the same things. I don't think passing the Title 20 change would make the bill illegal, but I think it's a bit redundant. So I just wanted to let you know that in our review, we did sign off on that because I do think it's allowed, but I think doing only the Title 19 portion would be...would accomplish the same...the same...would have the same effect, just to note that for the Committee.

CHAIR PALTIN: Thank you for that information. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. And I'm happy to propose deleting Title 20 section, if it was, you know, a redundancy of each other, Title 19 and Title 20. And I have a question for Mr. Hopper, and that was regarding the incorporation of Mr. Kanoa's proposal. So did you say that was a substantive change that would require six votes from the Committee?

CHAIR PALTIN: Mr. Hopper.

MR. HOPPER: I don't think that's necessarily a...I mean, I think it's a...not really...it's a bit of a clarification, I'd say. I don't necessarily believe that's something that we need to require six votes for, but I would just be clear for this...I'd be as clear as possible with this section. So I don't think it's a problem to make that change. I mean, it...I guess it depends on how far you go. I think if you're going to allow nonsubstantive changes to it and things like that, like I think the Chair had mentioned changes that do not increase room capacity, something like that, I don't necessarily see that as being an issue. And again, I think this Council has a fair amount of freedom to adopt any changes it would like. There is the issue with going against the Planning Commission's recommendations, but I do think in this case, if it's just going to be to allow, you know, some changes, as long as it doesn't increase room capacity, I wouldn't have an issue with that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Hopper. Mahalo, Chair.

CHAIR PALTIN: Okay. Chair Lee, followed by Member Sugimura.

COUNCILMEMBER LEE: Chair, how many meetings have we had on this, how many Committee meetings?

CHAIR PALTIN: In PSLU, this is the first one, but...

COUNCILMEMBER LEE: First one.

CHAIR PALTIN: Yeah.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER LEE: Right. Okay. And I know for a fact that we had one Committee meeting on Member King's moratorium bill. Okay. So it's not like we discussed this for a long time. And back in the '90s--I've said this before--when we passed the moratorium bill on hotels, we discussed it for one year, and then we made a decision. So I'm really not ready to vote in favor of this today. I'm not saying that I won't in the future, but I think...I think I need more time to digest everything that has happened through...as far as testimony, as far as changes, et cetera. Thank you.

CHAIR PALTIN: Okay. Member Sugimura.

COUNCILMEMBER SUGIMURA: Yeah. Thank you, Chair. And I agree that more discussion...and I'm grateful we finally got the hyperlinks for the Planning Commission minutes. But by it being a hyperlink, what is the difference between that and it not being verbatim, which we normally get as part of the Planning Commission's report to us? And I want to look at this before we make any decisions. So appreciate the Planning Department sending it, and I think we all should, because there was such a long meeting with the Planning Commission and just deserves our review before we make a decision. So thank you.

CHAIR PALTIN: Member Molina.

COUNCILMEMBER MOLINA: Yeah. Thank you, Madam Chair. I just have some questions for the Department, may or may not be related to the presentation, but it does relate to the bill, if I may be able to ask.

CHAIR PALTIN: Go ahead, Member Molina.

COUNCILMEMBER MOLINA: Okay, thank you. I guess a question for Director Hart. Do you know at this point how many pending applications for new vacation rental units may receive their final discretionary approval prior to this ordinance being enacted? And has there been an uptick in vacation rental applications, perhaps, possibly, in reaction to this proposed bill?

MR. HART: You know, I apologize, Chair. I'm not prepared to respond to that. I can get that information, but I can't present it at this moment.

COUNCILMEMBER MOLINA: Okay. And Madam Chair, if I may ask another question.

CHAIR PALTIN: I don't know if I can answer the question for you, but --

COUNCILMEMBER MOLINA: Okay.

CHAIR PALTIN: -- if you remember, we...I mean, are you talking about the permits? Because we lowered the caps on all the permits.

COUNCILMEMBER MOLINA: Yeah.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: So I think there's only one left in Kihei. So if you're talking about transient vacation rental permits, all that's available is one more in Kihei.

COUNCILMEMBER MOLINA: Yeah. I just thought more in just the applications, if you know, there are...there are a number of applications for that, I guess, one slot, or one...whatever was available.

CHAIR PALTIN: Okay.

COUNCILMEMBER MOLINA: Just was curious about, you know, what kind of reaction this has caused in that area, but...okay. I can...I can wait on that. And Madam Chair, if I may ask another question of Director Hart.

CHAIR PALTIN: Sure.

COUNCILMEMBER MOLINA: The bill...Member Rawlins-Fernandez's bill was received on--what was it--June 29th, and then the Commission took it up in late September. Can you verify that? And the reason I ask is because we've heard in testimony about the minutes getting to us to review prior to making a decision. So if that was the case, the bill was received in late June, and then only taken up in late September. Can I ask why it was taken up so late? Because I know it's been referenced here that maybe we should have more than one or two meetings on this proposal. So I was kind of curious as to why maybe the Planning Commission could have maybe taken it up sooner and possibly had a second meeting on it. Can...are you able to answer that, Mr. Director?

MR. HART: I'll defer to Staff.

CHAIR PALTIN: Ms. Takakura.

MS. TAKAKURA: Thank you. Thank you, Member Molina. So yes, we did get the bill in late June. A public hearing requires 30-day notice, plus we have to find time on the Planning Commission's agenda to hold this, and we knew this would be a really long one. So the earliest available was September 28th.

COUNCILMEMBER MOLINA: Okay.

MS. TAKAKURA: And we did rush to try to get the minutes completed. Verbatim minutes take...do...are quite time-consuming. So they aren't ready yet, but I know that the secretary is working.

COUNCILMEMBER MOLINA: Okay. Yeah. I guess maybe I was...I'm looking at it too simplistically. Because this is such an important issue, I was...I thought maybe the Commission would at least look at it a couple times. And maybe...I know it was...you had six hours spent on one meeting. Maybe you could've...on one meeting, you know, just kind of limit it to maybe three or four hours and then do another three-hour meeting. But anyway...okay. I just wanted to find out the reasons why only one

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

meeting...this matter was addressed only for one meeting before the Planning Commission. Okay. Thank you very much for your responses. Thank you, Madam Chair.

CHAIR PALTIN: Chair Lee.

COUNCILMEMBER LEE: Ms. Takakura, wasn't there some kind of confusion at the meeting about the deadline, the correct deadline, and that's why I think maybe the Commission thought that they should have only one meeting? Could you explain that to the Members?

MS. TAKAKURA: Yes. Thank you, Chair Lee.

CHAIR PALTIN: Ms. Takakura.

MS. TAKAKURA: So yeah, the concern is that the Planning Commissions only have 120 days to transmit after the last public hearing. And so if they had deferred...they did discuss deferral, but if they had deferred, they would have to find time on the next available agenda to continue the discussion. And once you start getting into the holidays, it just gets really complicated. So they really pushed to get this resolved in that one all-day meeting on the 28th for the two reasons: one, the deadline, and then also, because it was just really hard finding time on the agendas for the end of the year.

CHAIR PALTIN: So the 120-day deadline was, I believe, October 28th, which was when we had to post for this meeting. So they met their deadline.

MS. TAKAKURA: If I may, Chair Paltin, it's 120 days after the last public hearing. So it would have to be 120 days after September 28th, but then if you have another meeting, say it's in October or November, or December even, that just really pushes it to...before you know it, you're at 120 days and you have to transmit results back to the Council.

CHAIR PALTIN: Oh, I thought it was 120 days after we refer it to the Planning Commission.

MS. TAKAKURA: That's another thing. There's two parts in the Charter, one for the County Council and one for the Planning Commissions. And the part I'm looking at is the part for the Planning Commissions.

CHAIR PALTIN: Okay. Corp. Counsel, did you have the final say on that?

MR. HOPPER: Well, I think the Charter looks like it has conflicting provisions on that, but I think the...I think it would, you know, probably be best to try to meet the stricter of the two deadlines as much as possible. But I mean, the...that wouldn't be...I mean, that would not necessarily be the first time that the Council's done that, but I think it would be a good idea to try to meet that time frame. In the long term, I would...I would, I think, advise fixing that in the Charter and making it...making it clear which one, for Council referrals, would apply.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CHAIR PALTIN: Okay. Got it. So it's not super clear. All right. So then did somebody else have a question? Member Rawlins-Fernandez, were you ready to make a motion?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, sure. I also wanted . . . *(inaudible)*. . . Deputy Director Hart.

CHAIR PALTIN: Oh. . . *(inaudible)*. . .

COUNCILMEMBER RAWLINS-FERNANDEZ: But before Deputy Director Hart speaks, I just wanted to check with Mr. Hopper about his...the conflict that he said in the Charter, because I thought it's like a floor and a ceiling thing. They have to be read together, those two sections in the Charter.

CHAIR PALTIN: Okay. Mr. Hopper.

MR. HOPPER: I wasn't prepared for this specifically. I just remember it coming up at the Planning Commission, but I'll look through the Charter and read the two provisions right now if we...if we would like to do that and go over those. But it's going to take me a bit of time to go through those. I don't have them memorized. So I'll have to take a look at those.

CHAIR PALTIN: Maybe page 26 in the purple booklet.

COUNCILMEMBER RAWLINS-FERNANDEZ: I just...you know, it just...Mr. Hopper made that statement about it being a conflict. And so because our attorney said that on the record, I just wanted it to be clarified that it's not a conflict. It would be read together. But Mr. Hopper doesn't have to do that extra research. I just didn't want to let that stand without any discussion on it in the record.

CHAIR PALTIN: Okay.

MR. HOPPER: I can...I can go over the two provisions that I brought up. I mean, I don't know if the Charter Commission has looked at these, but...in more specificity, but page 26, it says review...this is the appropriate Planning Commission shall review other proposed land use ordinances and amendments thereto prepared by the Director or the Council, and after public hearings, transmit such ordinances with its findings and recommendations thereon to the Council for consideration and action no later than 120 days after the final public hearing. That's prepared by the Director or the Council it says. And then the other provision is adoption of General Plan and other land use ordinances. That's on page 28, and it says if the Planning Commission disapproves the proposed revision, or recommends a modification thereof --

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

MR. HOPPER: -- not accepted by the Council, or fails to make its report within a period of the 120 days --

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER RAWLINS-FERNANDEZ: Mr. Hopper?

MR. HOPPER: -- after receipt of the referral. So that's...those are the two different dates.

CHAIR PALTIN: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: And either way, the Planning Commission met its deadline. But that's not in question.

MR. HOPPER: Yes.

CHAIR PALTIN: Okay, perfect. Deputy Director...

COUNCILMEMBER RAWLINS-FERNANDEZ: I'll make the motion after Deputy Director Hart.

MR. HART: Yeah. I apologize, Chair. You know, this moved a little quickly. I would've liked to provide written comments to this effect, but I wanted to point out two questions that I had with regard to the ordinance as it's written. The first one...

CHAIR PALTIN: Who are they for?

MR. HART: Excuse me?

CHAIR PALTIN: Who are the questions for?

MR. HART: Well, just questions or comments on the draft as it is that I just wanted to express, you know, for consideration by the Council.

CHAIR PALTIN: Okay.

MR. HART: The first one...the first one is the verification of a use may be determined by rental property tax class, payment of general excise tax and transient accommodations, and advertising. You know, I think that it might be more appropriate to determine the use by the actual use and/or advertising, as opposed to the tax classes. You know, there are situations where properties are zoned, for instance, in the special management area, where they may be zoned hotel, but they are Community Plan multi-family. So they couldn't do a, you know, hotel or project that would provide transient accommodations without first doing an EA and a Community Plan amendment. So they opt to do just a multi-family development. So you know, they're paying the tax classes that allow for transient vacation rental uses, but they may not be able to develop a hotel without doing other land use designations. So I just ask whether or not the actual use or advertising would determine, as opposed to tax class.

CHAIR PALTIN: Well, that was your Department's recommendation to the Planning Commission, which they adopted. So I think that question should've been for yourself before you...your Department recommended it to the Planning Commission, who then accepted it. We're kind of going around in circles a little bit.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

MR. HART: Okay, Chair. Well, I can understand that. Unfortunately, I wasn't able...I didn't work on this, you know, when it went through Planning Commission, and it's come through now, but I did notice it, and I wanted to bring it up for the Council's consideration since there were...you know, there's a motion that's about to be made. The other thing I wanted to bring up is that there's a discussion of credits and the elimination of the use of credits. And I just wanted to ask the question of whether or not there's an expectation of the individuals who develop units to obtain credits and whether or not that's, you know, affected by narrowing their potential use of those credits. Anyway, those are my two issues to bring up.

CHAIR PALTIN: Thank you. Also...that was also changed by the Planning Commission and...or those weren't our amendments to the bill. Those were your amendments to the bill, or your Department's amendments to the bill. So I can't answer the question. Maybe you can go to who in your Department suggested those amendments and ask them, because we didn't suggest them. Those came from your Department.

MR. HART: Okay. Well, with regard to...with regard to the...any changes that may have been done by the Planning Commission, we didn't change any of those. And I discussed that with Jacky, and basically said, you know, I wasn't going to change what the Commission had recommended to you, but there wasn't really an opportunity to make separate comments because the ordinance came right out of Corporation Counsel to the Council, you know, at a quick pace. So I just wanted to say those now.

CHAIR PALTIN: Thank you, Deputy Director. Chair Lee.

COUNCILMEMBER LEE: So that's my concern too, especially the section on housing. Jordan, you'd mentioned credits. This ordinance mentions credits. It mentions the ratio of hotel rooms to an affordable unit. These are all in 2.96. So I'm wondering, you know, why was it put into this...into this bill, even though I would imagine that it was the Vice-Chair's original. But just now I'm thinking, you know, maybe it still belongs in 2.96, rather than have two conflicting ordinances. What do you say?

MR. HART: I don't have an opinion on whether or not credits can be referenced in two locations. What I was trying to point out is that when the credits are identified in 2.96, and then created through the development of other units, and have these uses, and then potentially are being limited by this ordinance, is that a issue of concern for the County, is what I was trying to basically ask. And potentially, Corporation Counsel could respond to it, but I just wanted to call attention to it.

CHAIR PALTIN: Okay. We're working off a signed bill that was amended by Planning Commission and the Planning Department, and it's almost as though we're going in circles back to the Planning Department, who had it in June. And so you know, between June and September 28th, these things kind of should have been hashed out by the Planning Department before coming to us, because these questions you have are on amendments made by your Department and signed off by the Corporation Counsel. So I'm not looking to go back around again one other time. You know, we went through

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

the process. The first time we had a bill like this, it was stated by folks that we need to go the Planning Commission. And so this isn't something new that's coming up. We recognize, listening to smart lawyers, that that's probably the prudent thing to do, and we went through the Planning Commission, but we're not going to be on a merry-go-round, you know what I mean?

MR. HART: Chair, thank you very much, and thank you for recognizing my comments at all. You know, there was a little bit of a...of issue as far as us not even having the bill before the item was agendaized, and transmitting it straight out of Corporation Counsel, as opposed to receiving it and transmitting a package, but you know, I do recognize that it was received by the Department. It did have time to go to the Commission. Unfortunately, I wasn't working on it that time. So I'm reviewing it in preparation for this meeting. I just wanted to share those comments, and you know, it's understood that Corporation Counsel's reviewed it. And if Council's comfortable with it, then I appreciate you taking the time to listen to what I said.

CHAIR PALTIN: Thank you, Deputy Director. So this is a signed bill. The previous moratorium that we were working off of didn't get signature. So just to clarify, we're not doing anything illegal, posted the bill that came from the Planning Commission through Corp. Counsel. At this time, I'll recognize Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. I move to recommend passage on first reading "A BILL FOR AN ORDINANCE ESTABLISHING CHAPTER 19.98 AND CHAPTER 20.41, MAUI COUNTY CODE, DECLARING A MORATORIUM ON NEW TRANSIENT ACCOMMODATIONS ON MAUI," with...filing...no, wait. We have a communication? Filing the communication and including any nonsubstantive revisions.

COUNCILMEMBER SINENCI: . . .*(raises hand to second the motion)*. . .

CHAIR PALTIN: Okay. It's been moved by Member Rawlins-Fernandez, seconded by Member Sinenci. Member Rawlins-Fernandez, as the movant, any discussion?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I first wanted to mahalo the Maui Planning Commission for their careful review of my proposed bill and the amendments proposed by the Planning Department. I attended the meeting and listened intently, and I assured them that I would genuinely consider their comments. You know, it's been reported countless times how detrimental it was this year when the tourism flood gates were flown wide open. It's not surprising to hear the kind of opposition from the tourism industry when we attempt to follow the Maui Island Plan and rein it in after it...after the tourism industry development became accustomed to unrestrained development. We absolutely need to stop over tourism and manage regenerative tourism. This is why we established the tourism management and economic development TIG and have, as individual Councilmembers, been working very hard on progressive ways to manage tourism as quickly as possible. The TIG has been established and been working very hard, long hours, with the help of numerous County public and private resource personnel from a wide variety of industries with interests

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

and with special expertise and a legally sound, Island-wide moratorium that will also stop STR permits from increasing is before us today. We all know that the under-regulated growth of transient accommodations has caused an excessive increase in tourism, which negatively impacts the environment, as we heard from testifiers for the past--how long--five...all year, overwhelms the County infrastructure, and diminishes residents' quality of life. A transient accommodation moratorium would put a pause on the expansion of more lodging while the TIG is currently working on our legislative proposals to manage tourism and diversify economic development without further exacerbating the over tourism problem. As we, you know, heard that we're going to be preparing for another 30 percent increase of seats in flights coming in December. This over-reliance on the one industry is like a drug addiction. We heard many times testifiers state how long it's been since Government has talked about the need to diversify our economy. Economic diversification is not a static destination that we arrive at and we stay. It's a...it's a constant ongoing process to work at, and striking, but more importantly, maintaining a balance that works for everyone. For a long time, that balance has been devastatingly off-center. And we, as a community, have been watching the worst of the results of this imbalance as it unfolds before our . . . *(inaudible)*. . . Countless people that we know, family, friends, and loved ones, are being forced to leave their rentals and move to America in search of shelter, while the tourism industry beast continue to destroy our precious resources and island community home with its insatiable appetite for money and growth without an end in sight. And you know, we've discussed this many, many times, and I'm hoping we won't...you know, it won't be too drawn-out of a discussion today, but I hope the Members continue to support this. And as you know, the trigger to stopping the moratorium is the implementation of the TIG recommendations. Mahalo, Chair.

CHAIR PALTIN: Member Sinenci, as the seconder, any discussion?

COUNCILMEMBER SINENCI: Thank you, Chair. And I too wanted to mahalo the Planning Commission for their careful consideration of this bill, and also for the Department for sending in the summary and the Ramseyered version for us to consider this afternoon. I think any testifiers we heard today about, you know, partiality towards hotels, and I think with this bill, this is a win-win situation for everyone concerned. I think the important thing that the Commission did agree upon is that they don't see an economic impact with a...with a two-year moratorium. That is...that is crucial for me, and having all the other Departments sign off on it, and with including the amendments, I'm supportive of the bill. Thank you.

CHAIR PALTIN: Chair Lee.

COUNCILMEMBER LEE: To reiterate, I am not totally against the bill, but I wish we would have more time to discuss it more thoroughly. And so for now, I am voting no. Thank you.

CHAIR PALTIN: Member Rawlins-Fernandez, second and final? Or are you ready for your second and final?

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COUNCILMEMBER RAWLINS-FERNANDEZ: I was going to make the motions that we talked about earlier, but if --

CHAIR PALTIN: Oh, the amendments.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- others want to talk first, I'm okay with yielding the floor.

CHAIR PALTIN: Okay. Would anyone like to talk before Member Rawlins-Fernandez makes the amendments that Mr. Kanoa was speaking to?

UNIDENTIFIED SPEAKER: Go ahead.

CHAIR PALTIN: Okay. Member Rawlins-Fernandez, not second and final, amendments.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah. I move to amend the bill to delete the six-month extension, to delete Title 20, and to incorporate Mr. Kanoa's proposed amendment to---where'd it go--19.98.040 Exceptions, D, to allow for modifications of approvals...or permits that have already received its approvals for...to modify that...for modifications that don't increase the number of units that had been previously approved.

COUNCILMEMBER JOHNSON: . . .*(raises hand to second the motion)*. . .

CHAIR PALTIN: Okay. So that's moved...there's an amendment by Member Rawlins-Fernandez, second by Member Johnson. There's...it's kind of like a three-part amendment removing the six-month extension; deleting Title 20, which is...Mr. Hopper said was redundant; and addressing some of Mr. Kanoa's concerns, not the time extension part, but minor modifications that don't increase the room number to already approved permits. So if...hopefully everyone understands that. Moved by Member Rawlins-Fernandez, second by Member Johnson. Any discussion on the amendment? Seeing none, all those in favor of the amendment, raise your hand and say "aye."

COUNCILMEMBERS VOICED AYE.

CHAIR PALTIN: One, two, three, four, five. Five ayes. All those opposed, raise your hand and say "no."

COUNCILMEMBERS VOICED NO.

CHAIR PALTIN: Three noes. The motion passes five to three on the amendment.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

VOTE: AYES: Chair Paltin, Councilmembers Johnson, Molina, Rawlins-Fernandez, and Sinenci.

NOES: Councilmembers Kama, Lee, and Sugimura.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair King.

MOTION CARRIED.

ACTION: APPROVED AMENDMENT.

CHAIR PALTIN: So we're back to the main motion. Members, any more discussion on the main motion? Member Sugimura, followed by Member Molina.

COUNCILMEMBER SUGIMURA: So I wanted to take into consideration what Director Hart mentioned about 19.98.020, definitions and verification of use, to take out real property tax class payments and payment of general excise to...for verification, because I think that's how the illegals then justify that they are then permitted. And if you want to have somebody, you know, comment on that, but if you could...if...I want to make that motion.

CHAIR PALTIN: Is that a motion to amend?

COUNCILMEMBER SUGIMURA: Yes. Yeah.

CHAIR PALTIN: Okay. Is there a second? Okay, I don't see any second. So that dies.

COUNCILMEMBER SUGIMURA: Okay, unfortunate. It'll come back to haunt us.

CHAIR PALTIN: All right. Any further discussion on the main motion as amended? Member Molina.

COUNCILMEMBER MOLINA: Yeah. Thank you very much, Madam Chair. I'd like to extend my mahalo to the Maui Planning Commission. They had a very, very long day in reviewing this bill. You know, in testimony we heard today, one thing that really stuck out for me when a...when a testifier said, this is America. Well, that may be true in one sense, but I'm not sure if the testifier's aware of the history of how Hawai'i came under the jurisdiction of America with an illegal overthrow and occupation, which were led by American businessmen, backed by the United States military that he served. And by the way, I'm also a veteran too. He made an inaccurate statement that none of the Members of this Board served our country in the United States military. I, for one, did. And I have my DD214--the DD stands for the Department of Defense, 214--to prove

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

that. But putting that aside, maybe this is the pause we need right now. You know, our residents, a lot of them have voiced their concerns about the visitor industry, which is good, but it's been a double-edged sword. And how much impact it will have, we don't know, but the last moratorium that occurred back in the 1990s--and I appreciate Chair Lee for sharing the historical perspective of that--Maui came out okay after that. Yeah, sure, there were concerns about the proliferation of hotels and other visitor accommodations. Maybe it was...some of the other issues were different from what we're dealing with now, but I'm optimistic Maui will come out for the better. And look at how Hawai'i has turned into...we've become a commodity for the world. I mean, it's good for the haves, but maybe not so good for the have-nots. And sometimes we forget about the other impacts of the visitor industry. That was, I think, pointed out by Ms. Nishiki, Hawaiians not being...Native Hawaiians not being able to afford homes in their own land, people, you know, crammed like sardines in houses, the traffic impacts. And let's face it, here in Hawai'i we have a very spiritual connection to the land and the water, and that's something we need to respect. It's a place that should not have been marketed as a place for luaus and parties and whatnot. I see it as a place of healing, a place for education, much like we would look at the Vatican in Rome. You don't go to Rome to go party, you know. And so to me there's a religious, I guess, aura of this place. And I know you shouldn't mix religion and politics together, so I'll stay off of that, but...I've never been a big fan of moratoriums, but I think in this case, at this point in time, I will support this. And again, I'm hoping residents can understand. I don't believe the world will end. Sure, there may be some folks who...investors might have some concerns about this, but the County has the right to do this. And we're never going to get 100 percent agreement, but this is why we're here, to make tough decisions like this. And so each one of us, we're hearing from our various constituents, and the majority of constituents that I hear from is, hey, let's slow the train down just a little bit. And we'll still be okay, because I think people are still going to come here one way or another. So let's look at it more as a pause, and I'm...don't believe this will be a major economic...a major detriment to our economy at this point. But we got to put residents first. And Member Sinenci and I went to a conference in Utah, and it was interesting. When they talked about the issue of tourism, the locals there had the same concerns like we did. It was like, let's put the residents' concerns first, and the industry next to that, but the priority is the concerns of the residents complaining about traffic, over tourism, and what have you. So I found that to be a very, very interesting parallel. So this may be a movement that's happening across the United States, where people are just saying, hey, we need to have much more greater respect for our environment because this is all we have. And especially, we're out here in the middle of the Pacific, so our environment is our economy. So we need to find that happy medium and balance. So...which is why I'm...I will support this measure from Member Rawlins-Fernandez. Thank you very much, Madam Chair.

CHAIR PALTIN: Okay. Thank you, Member Molina. Any further discussion before we call for the question? Member Sugimura.

COUNCILMEMBER SUGIMURA: I know you're trying to get out of here, right, to pick up your children. So sorry about this, but I...I'm going to maintain that I'm going to vote against this bill, as I have in the past. And I hear everybody, you know, and we all went through

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

COVID, and when COVID opened up, we had the, you know, different things going on in the community that made a lot of residents in uproar, but I still maintain that this bill does not solve the problem. It doesn't solve the number of visitors that are coming here. It does not. So we're looking at the wrong thing, and we're taking a stab at having a cut in our economic driver, where I think it needs to...we need to be taking steps so that we can walk together and make it better and keep jobs for our working families, you know, and make sure that they can do the things that we all care about, you know, including affordable housing and putting food on the table, send our kids to school, you know, put our heart where...you know, where our mouth is right now and...so I cannot support the bill. I think that...I understand why people are saying, yeah, we don't want visitors, but again, it does a lot of things that without them, we would have an economy that looks very different. You know, we're talking about having it managed, and I don't think this bill is going to stop it. And so I'm not going to support the bill, but thank you, everybody, who, you know, worked hard on it, and especially the Planning Commission. I'm glad that we got the hyperlinks today, and I wish we would've gotten it earlier so that we could look at it, and digest it, and have all the facts before us before we take a stab at this today. So thank you.

CHAIR PALTIN: Thank you, Member Sugimura. Anybody else? Member Kama. You're frozen on my screen, but I see your hand up on the television.

COUNCILMEMBER KAMA: Thank you, Chair. So it's okay if I'm frozen, as long as you can hear what I'm...want to say. I am so concerned with if we're not building, what happens to all the tradesmen and women who are in the construction industry? We already have an unemployment rate that is high. We already have many more people unemployed. And so if we do a two-year moratorium on this industry, what happens to all of our painters, our glaziers, our carpenters, our plumbers? That's my main concern with this, Chair. And that is why I can't support this either. Thank you.

CHAIR PALTIN: Thank you, Member Kama. Anyone else for discussion before we call for the question? Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. I just, you know, want to rise in strong support of this. This is a long time coming. We've seen it. You...we can see the striking differences when we had COVID come and hit us hard, and all that traffic went away, and all the beaches cleaned up, and everything seemed to be that what we thought that this could be, and what it was, in fact. So when...I got to give a shout out to all the Councilmembers who are, you know, really coming in and sharing their opinions on this, because we're witnesses of it. We're witnesses of what could...what could be. And if we're going to put our, you know, name on the list, and put our votes down here, then let's do it. I'm all for this. So I stand in strong support. Thank you, Chair.

CHAIR PALTIN: Thank you, Member Johnson. Members, any further discussion? Member Molina, second and final, followed by Member Rawlins, second and final.

COUNCILMEMBER MOLINA: Thank you, Chair. And I apologize. I know this is cutting into your time to go pick up your children. My apologies. But very quickly, just wanted to

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

just state that, yeah, I don't think the bill's intent was to tell visitors not to come. I guess, the way...I interpret this bill as like, yeah, let's take a pause. Things are just happening a little bit too fast here. And as far as jobs, condos and...existing condos, hotels, TVRs, they need to be renovated. So there's still some work there in that area. So...and also, this pause will give us that time to look at economic diversification because we've seen the consequences of just depending on one industry due to the effects of COVID, so...which is why the time is even more important now to look into economic diversification, and not just totally depend on the visitor industry, which I appreciate. And I appreciate all of our 'ohana and friends that are part of the building industries because they do a wonderful job. But again, this is the...I think maybe, generally, everybody can agree, we need to find some balance between development and what we can do to preserve our environment. So anyway, just wanted to add that, Madam Chair. Mahalo.

CHAIR PALTIN: Thank you. Member Rawlins-Fernandez, second and final.

COUNCILMEMBER RAWLINS-FERNANDEZ: I'm so happy I'm going right after Member Molina so I can echo everything he just said. Totally nailed it. And right now, you know, we have more jobs than people. So many people are leaving because they can't afford housing here. And I'm thankful to Member Johnson, you know, the Affordable Housing Chair, and our Affordable Housing Vice-Chair, Member Molina, for working hard on that issue to provide housing for our residents.

CHAIR PALTIN: . . .*(inaudible)*. . . plans.

COUNCILMEMBER RAWLINS-FERNANDEZ: What...yeah. So what this bill is, is just...it's a moratorium to stop more growth. It preserves status quo. So the amount of jobs that there currently are, there won't be less. It's going to stay the same. So it's not decreasing jobs. And I...I've talked to friends at the hotels, and you know, like even the Starbuck's on the property can only be open from 7:00 to 11:00 in the morning because they don't have enough people to work those jobs. They don't have enough people to work the cafes, you know. So I hear what everyone is saying. And that's why this moratorium is coupled with the work that the TIG is doing, the tourism management TIG. And I think the Council's going to be delightfully surprised with the...and happy with a lot of the proposals that'll come out of the TIG. And I can't give anyone a sneak peek yet, but it'll be coming...and yeah. So mahalo, Members. And I look forward to voting.

CHAIR PALTIN: Okay. Anyone else, comments, discussion? If no one else has comments or discussion, I just had a couple things I wanted to add in. And you know, what we heard from testimony today, there's a lot of old apartment buildings from 1989 that need plumbing work, renovations; and also, you know, as Member Sugimura pointed out, the Kahana Bay condos may need to manage retreat soon. The sea level rise exposure line that Ms. Takakura has shown us is very concerning. And you know, those properties that lie within the red line, within the blue line, they have a limited shelf span. And I really appreciate the amendments made by the Planning Commission that buildings that want to move out of the SLR-XA area can move out, and building can...permits can be pulled, and construction can start, because that's really where we're at right now.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

Part of the status quo is recognizing sea level rise, and climate change, and resilience as...you know, it's a bit bittersweet that Councilmember King is not here with us to see her idea through to the end, but you know, she's representing us on that greater international stage and following up on her work that she started here. And she's relying on us to follow through with the spark that she set originally and we just, you know, massaged it on down the way. So you know, I would really encourage the tradespeople to get together with the folks who will soon be underwater and manage retreat. Rebuild up higher because that is one of the things allowed for by this bill, and it is something that I support, you know. I think that we do need to begin managed retreat ASAP. I know there was a video flying around social media that I want buildings to fall into the ocean. I love the ocean. I wouldn't want any buildings to fall into the ocean, and I would like to see them moved back because I love the ocean. And you know, missed out on the surf all day, but you guys are worth it, our residents are worth it. Surf comes and goes. Love the ocean, no buildings falling in, managed retreat, more jobs, construction, and whatnot. So if there's no further discussion, I'll call for the question. Chair Lee, I don't know if you can come back. Oh, Member Sugimura, did...is this your second and final right now?

COUNCILMEMBER SUGIMURA: Final. So I just want to request for the verbatim minutes from the Planning Commission to be available at first...by first reading. I know that they're...they provided the hyperlinks, but if they...Planning Department could request that they finish the Planning Commission verbatim minutes so that we can see it. Thank you.

CHAIR PALTIN: Okay. All right. We'll make that request. Staff, you got that request?

MR. LEAUANAE: Yes, Chair. Thank you.

CHAIR PALTIN: Okay. Thank you. All right. So with no further ado--I don't see Chair Lee--but all those in favor, raise your hand and say "aye."

COUNCILMEMBERS VOICED AYE.

CHAIR PALTIN: Aye. Okay. That's five ayes. All those opposed, raise your hand and say "no."

COUNCILMEMBERS VOICED NO.

CHAIR PALTIN: So that's two noes with Chair Lee excused. So the motion passes, five ayes, two noes, and two excused. Two noes are Sugimura and Kama. Two excused are Lee and King.

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

**VOTE: AYES: Chair Paltin, Councilmembers Johnson, Molina,
 Rawlins-Fernandez, and Sinenci.**

NOES: Councilmembers Kama and Sugimura.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair King and Councilmember Lee.

MOTION CARRIED.

**ACTION: Recommending FIRST READING of revised bill and
 FILING of communication.**

CHAIR PALTIN: All right. Let's see. Where are we in the...Members, this concludes today's all day, fun day, Planning and Sustainable Land Use Committee meeting. Thank you very much, everyone. The time is now 4:49, and this meeting is adjourned. . . .*(gavel)*. . .

ADJOURN: 4:49 p.m.

APPROVED:



TAMARA PALTIN, Chair
Planning and Sustainable Land Use Committee

PLANNING AND SUSTAINABLE LAND USE COMMITTEE MINUTES
Council of the County of Maui

November 3, 2021

CERTIFICATIONS

I, Daniel Schoenbeck, hereby certify that pages 1 through 58 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 17th day of December 2021, in Kula, Hawai'i



Daniel Schoenbeck

I, Brenda Clark, hereby certify that pages 59 through 114 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 17th day of December 2021, in Wailuku, Hawai'i



Brenda Clark