

# **PLANNING AND SUSTAINABLE LAND USE COMMITTEE**

**Council of the County of Maui**

## **MINUTES**

**November 3, 2022**

**Online Via BlueJeans**

**CONVENE:** 9:00 a.m.

**PRESENT:** Councilmember Tamara Paltin, Chair  
Councilmember Kelly Takaya King, Vice-Chair (out 11:51 a.m.)  
Councilmember Gabe Johnson, Member (out 12:00 p.m.)  
Councilmember Tasha Kama, Member (out 12:00 p.m.)  
Councilmember Alice L. Lee, Member (out 11:56 a.m.)  
Councilmember Michael J. Molina, Member  
Councilmember Keani N.W. Rawlins-Fernandez, Member  
Councilmember Shane M. Sinenci, Member (in 9:15 a.m.)  
Councilmember Yuki Lei K. Sugimura, Member

**STAFF:** Alison Stewart, Legislative Analyst  
Kasie Apo Takayama, Legislative Analyst  
Shelly Espeleta, Supervising Legislative Analyst  
Richard Mitchell, Legislative Attorney  
David Raatz, Deputy Director  
Clarita Balala, Committee Secretary  
Jocelyn Moniz, Committee Secretary  
Nalani Fujihara, Hawaiian Language Communications Specialist  
Lenora Dinneen, Council Services Assistant Clerk  
Jean Pokipala, Council Services Assistant Clerk

Mavis Oliveira-Medeiros, Council Aide, East Maui District Office  
Denise Fernandez, Council Aide, Lānaʻi District Office  
Jade Rojas-Letisi, Council Aide, Makawao-Haʻikū-Pāʻia District Office  
Zhantell Lindo, Council Aide, Molokaʻi District Office  
Daniel Kanahele, Council Aide, South Maui District Office

Roxanne Morita, Executive Assistant to Councilmember Johnson  
Evan Dust, Executive Assistant to Councilmember Kama  
Davideane Kama-Sickels, Executive Assistant to Councilmember Kama  
Lois Whitney, Executive Assistant to Councilmember Kama  
Ellen McKinley, Executive Assistant to Councilmember King  
Sarah Sexton, Executive Assistant to Councilmember King  
Dawn Lono, Executive Assistant to Councilmember Sinenci

**ADMIN.:** Michael Hopper, Deputy Corporation Counsel, Department of the  
Corporation Counsel  
Michele McLean, Director, Department of Planning  
Jacky Takakura, Deputy Director, Department of Planning

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Scott Teruya, Director, Department of Finance  
Marcy Martin, County Real Property Tax Administrator, Department of Finance

**OTHERS:** William Spence  
Tapani Vuori, President, Maui Ocean Center Marine Institute  
Tiare Lawrence  
Francine “Mopsy” Aaronson  
Kai Nishiki  
Thomas Croly  
Jeffrey Roberts, General Manager, Ironwoods  
Dick Mayer  
Junya Nakoa  
Jason Economou, Government Affairs Director, Realtors Association of Maui  
Faith Chase

Frank “Bud” Pikrone, General Manager, Wailea Community Association  
(3) additional attendees

**PRESS:** *Akakū: Maui Community Television, Inc.*

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CHAIR PALTIN: . . .*(gavel)*. . . Aloha kakahiaka and welcome today...to today’s Planning and Sustainable Land Use Committee meeting of November 3rd, 2022, at 9:00 a.m. Calling the meeting to order, and asking if everyone can please silence any noise-making devices that they have. Members, in accordance with the Sunshine Law, if you are not in the Mayor’s conference room, please identify by name who, if anyone, is with you today. With me today is Angela Lucero and Christian Balagso, and we have nobody at the Lāhainā District Office waiting to testify. Ni hao is the official greeting of today. And also, please see the last page of the agenda for information on meeting connectivity. So, my name is Tamara Paltin, and I’ll be your Chair for today’s meeting. We also have Council Chair Alice Lee. Ni hao and aloha kakahiaka.

COUNCILMEMBER LEE: Aloha, Chair. This morning’s greeting comes all the way from Singapore in Southeast Asia. It’s an island nation, and the greeting is ni hao. So, ni hao to all of my colleagues, and...and all those watching and listening. Looking forward to your meeting. Thank you. I’m home alone in my workspace.

CHAIR PALTIN: Thank you. And next up, we have Committee Vice-Chair Kelly Takaya King.

VICE-CHAIR KING: Aloha kakahiaka, everyone. Thank you. Sorry, I was a little late, I’m having technical difficulties. It was still stuck on yesterday’s meetings, so I had to restart everything. I’m...I’m broadcasting today from my home office in South Maui, and my husband is in the other room.

CHAIR PALTIN: Member King, they’re having technical difficulties on *Akakū*, so he’s asking for a recess.

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VICE-CHAIR KING: What...what's he asking for?

CHAIR PALTIN: Recess. We...we're not broadcasting.

VICE-CHAIR KING: Oh, okay.

CHAIR PALTIN: I'll recess at the call of the Committee Chair.

VICE-CHAIR KING: Okay, great.

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

**RECESS: 9:02 a.m.**

**RECONVENE: 9:10 a.m.**

CHAIR PALTIN: . . .*(gavel)*. . . Will the Planning and Sustainable Land Use meeting of November 3rd return to order. The time is 9:10, and thank you for bearing with us while we had those technical difficulties. We were introducing Committee Vice-Chair Kelly King. Ni hao and aloha kakahiaka.

VICE-CHAIR KING: Oh, ni hao, everyone, and aloha kakahiaka. So, I'm at my home office in South Maui, and my husband is in the next room, but may be coming in and out, and we have no testifiers at the South Maui District Office. I think that's everything, ready to go, Chair. I may have to leave a little bit early because I do have a meeting at 11:30.

CHAIR PALTIN: Okay, thank you. And next up, we have Councilmember Gabe Johnson. Ni hao, and aloha kakahiaka.

COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, Committee Members, ni hao to all of you. There are no testifiers at the Lānaʻi District Office, and I'm alone in my workspace. And if you hear big sounds behind me, it's the construction of the affordable housing getting built at Hōkūao, so there's progress. It's noisy, but there's progress. All right. Thank you, Chair.

CHAIR PALTIN: Thank you. And next up, from the neighborhood, we have Councilmember Tasha Kama. Ni hao, and aloha kakahiaka.

COUNCILMEMBER KAMA: Aloha kakahiaka, Chair, and ni hao to all of my fellow colleagues and everyone out there in TV land. I am home alone in my workspace, and looking forward to a wonderful PSLU meeting today, Chair. Great agenda items, thank you.

CHAIR PALTIN: Thank you, Member Kama. I like the hairdo. And next up, we have Councilmember Mike Molina, straight out of Heritage Hall, it looks like?

COUNCILMEMBER MOLINA: You got that, Madam Chair. Aloha, and ni hao to you, and...oh,

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I love those giant persimmons in your background. Or is it pumpkins? I don't know, but I'm getting 'ono for persimmons every time I see that background. Yes, I'm out here at Heritage Hall in Pā'ia, and I'm accompanied by District Office Specialist Jade Rojas-Letisi. There are no testifiers, and I'm looking forward to an exciting PSLU meeting this morning. Aloha, Madam Chair.

CHAIR PALTIN: Thank you. And next up, we have Councilmember Keani Rawlins-Fernandez. Ni hao, and aloha kakahiaka.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka, Chair, mai Moloka'i nui Ahina. I'm at the Moloka'i District Office, alone on my side of the office, and we have our Community Outreach Specialist Zhantell Lindo on the other side of the office. Let's see, reporting no testifiers. Yep, no testifiers. Mahalo, Chair.

CHAIR PALTIN: Thank you. And we have Councilmember Yuki Lei Sugimura from jacaranda country. Ni hao and aloha kakahiaka.

COUNCILMEMBER SUGIMURA: Ni hao, everybody. Yes, I'm in Kula, and working from my home office. There's no one with me on...on this floor, and looking forward to a productive meeting. Thanks.

CHAIR PALTIN: Okay, it looks like we don't have Member Sinenci at this time, so we'll anxiously anticipate his arrival. From the Administration, we have Planning Director Michele McLean, Deputy Planning Director Jacky Takakura, Finance Director Scott Teruya, Deputy Corp. Counsel Michael Hopper. And we have invited Frank "Bud" Pikrone from the Wailea Community Association, as well as Jeff Roberts, General Manager of Ironwoods. Our Committee Staff today, we have Clarita Balala as our Committee Secretary. Pinch hitting, we have Legislative Analysts Alison Stewart and Kasie Apo Takayama. Our Legislative Attorney is Remi Mitchell, and our Assistant Clerk is Lei Dinneen. On the agenda today, we have two items, PSLU-59 and 66. 59 is Bill 131 (2022), Relating to Definitions of Time Share Plan and Transient, and PSLU-66 is the Special Management Area Revolving Fund Report. Members, today I do intend to take public testimony as each item is called up on the agenda. Information on providing testimony via video or by calling in can be found also on today's agenda. If you have joined this online meeting, Staff will assume you wish to provide testimony, and will add you to the test...list of testifiers, which is posted in the chat. Please indicate in the chat which agenda items you would like to testify on so you can be called at the appropriate time. Oh, I see Councilmember Sinenci. Ni hao, and aloha kakahiaka.

COUNCILMEMBER SINENCI: Aloha, and ni hao, Chair. I'm here with District Staff Mavis Medeiros and Dawn Lono, and currently, there are no testifiers. Thank you.

CHAIR PALTIN: Thank you. If you would prefer to testify anonymously, please indicate in the chat, and you will be assigned a testifier number. If you do not wish to testify, you may also indicate in the chat to be removed from the list. Please be mindful that chat should not be used to provide testimony or commentary. Please also be courteous to others by muting your video and microphone while waiting for your turn to testify. When

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testifying, unless you wish to remain anonymous, please state your full name and if you're testifying on behalf of an organization or are a paid lobbyist. Oral testimony is limited to three minutes per agenda item. Once you are done testifying, or if you are not providing testimony, you may also view the meeting on *Akakū* Channel 53, Facebook Live, or mauicounty.us. Written testimony is also encouraged, and can be sent via eComment. For instructions on using eComment, visit mauicounty.us/testify. For our first item, we expect to have some brief presentations, so testimony will be taken after introductory comments and presentations. And if Members can just write down your clarifying questions, we'll get to those after testimony is closed because if...it gets kind of dicey what's clarifying and what's discussion. So, if you have questions, just write them down. So, the first item is Bill 131, relating to Definition of Time Share Plan and Transient, PSLU-59.

**PSLU-59: BILL 131 (2022), RELATING TO DEFINITIONS OF TIME SHARE PLAN AND TRANSIENT**

CHAIR PALTIN: The Committee is in receipt of Bill 131 (2022), entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 19.04.040, MAUI COUNTY CODE, RELATING TO THE DEFINITIONS OF 'TIME SHARE PLAN' AND 'TRANSIENT'." Bill 131's purpose is to amend the definitions of "time share plan" and "transient." First one is dated September 6, 2022, from the County Clerk, transmitting a copy of a communication from the Deputy Planning Director, dated August 23, 2022, relating to Bill 131 (2022). The Committee may consider whether to recommend passage of Bill 131 (2022) on first reading, with or without revisions. This has already gone through the Planning Commission. The Committee may also consider the filing of Bill 131 (2022) and other related action. With reference to this agenda item, one or more executive meetings could occur. Okay. So...and if I can just give a little brief explanation. When the formation of new time share schemes and fractional ownership types surfaced to my attention, I did reach out to Corporation Counsel and the Planning Director to see if we could stop that. And we had several discussions, and one...some legislation came out of that. This was right around the time of Budget though, so, I was...we were...we went into Budget for, like, a couple months, and so the Planning Director and Corp. Counsel took it and ran with it. And prior to the meeting, I sent some questions to Corp. Counsel and Planning relating to fractional ownerships, and those are posted in Granicus. And the reason I posted this is, I'd...I'd like to share with you, the things that we found, share with you the legislation that's gone through the Planning Commission, and get input from the Committee on how fractional ownership should be handled in the best interests of the County, whether, you know, we want to pursue if we have the authority to outright ban certain types of time share plans or fractional ownerships, whether it's best to regulate them if we don't have that authority, and so on and so forth. So, at this time, I'd like to request any comments, and a presentation from the Planning Director Michele McLean and Deputy Director Jacky Takakura.

MS. MCLEAN: Good morning, Chair and Committee Members. As usual, Jacky's going to do one of her wonderful presentations.

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CHAIR PALTIN: Awesome, yay. Okay, let's have it, Ms. Takakura.

MS. TAKAKURA: Okay. Good morning, Chair Paltin, and good morning, PSLU Committee. It's nice to see all...all nine of you. So, I do want to first mahalo Corporation Counsel and Chair Paltin, because this was really a team effort to work on this, to create this bill. And it's relatively short, and the presentation's real short too, it's just updating definitions in Title 19 of the Maui County Code. So, I'm going to share screen, and you should be able to see...it's kind of gray, with a green band on the bottom?

CHAIR PALTIN: Yes.

MS. TAKAKURA: And it's just the title. Okay. So, basically, we're just amending this one part of Maui County Code, Chapter...or Section 19.04.040, and that's where we have all the definitions that we use in Title 19. And, you know, I only really have two points to share, is...and that's first, is the why, and then the what. So, I'm going to go right into the why. Why are we proposing to change this? So, basically, it's to keep up with the times. Because we have found, as Committee Chair Paltin has mentioned, that there are entities that are kind of like LLCs that are coming together to purchase properties, and then so...I guess what she referred to as fractional ownership, parts of the ownership of the property, so that people can come and stay at these places for limited amounts of time. And it's not unique to Hawai'i...or to Maui. We see this in a lot of luxury destinations across the country, where these entities are selling, like, one-eighth ownership of...of...of a home. And so we would like to nip this in the bud, and change the Code so that these types of entities are subject to the 180 days, just like any other property owner would be subject to, having to make sure that the place is occupied at least 180 days because that's the cutoff of what is short-term versus what is long-term. So, to accomplish that goal, we're proposing to revise the definition for two things, time share plan and transient, so that they are both subject to that 180 days. The other thing that I think we're all aware of is the need for temporary workers, such as traveling nurses and healthcare providers. There's a severe shortage, as we know, in the community. And, you know, we do have some exceptions for allowing them to stay for shorter periods of time than 180 days, but we'd like to clarify that, make it so that it's easier, and that they don't get subject to notices of violations. I'm going to go into a little bit of detail about how...how it is...what it is we're proposing to change, so that we can accomplish these goals. Next page. So, these are the definitions that we're proposing to revise. The one on the left is the definition for Time Share Plan. And it's real short, it's just changing the 60-day requirement to 180 days. Now, for Department of Finance purposes, and like State purposes, they...they look at 60 days, but for land use purposes, we're proposing to change it to 180 days. And then for definitions of Transient, we're proposing to add this...this big paragraph you see on the right, adding that any person, and any person who uses, possesses, or occupies a property based on an arrangement, schedule, plan, agreement, license, or any other means or scheme, whereby an owner of the property or a member, partner, owner, trustee, or shareholder of the corporate or limited liability entity that owns the property, receives ownership rights, or the right to use the property for a period of less than 180 days. So, if they were to try to, say, own a property for, say, one-eighth of the time, but that would be less than 180 days, and they would be subject to this definition of transient. So,

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the...the smallest portion that they could buy would be half, so that they would be there, you know, for at least 180 days. And then, as I mentioned, we're adding some exclusions, and that would be healthcare providers actively engaged in providing medical services within the County, and then also conservation interns. We are also proposing to add new definitions, and they're right here, Healthcare Facility and Healthcare Provider. And that's just to kind of, you know, keep it within reasonable...kind of not let it get out of control about what is a healthcare facility and what is a healthcare provider. And these are just standard definitions--a facility is a private or public institution, place, building, agency located in the County, used, operated, or designed to provide medical diagnosis, treatment, nursing, rehabilitative, or preventive care to any person. And then we have the provider--a physician, a surgeon, dentist, assistant, and so forth, nurses. Any of these kind of healthcare facility employees or contractors authorized to practice medicine and operate within the State. And as Chair Paltin mentioned, these did go through the Planning Commissions, and we took into consideration, you know, their...their suggestions. And one of the suggestions was to consult with the hospital. And so we did that, and we also consulted with Hale Makua, and they were fully supportive of these because, you know, they're...they're the ones who are dealing with this shortage. Lānaʻi Planning Commission had some real good grammatical fixes for this, which we incorporated. Molokaʻi was also very much in support of these. So, that's it, in a nutshell. I'm going to stop sharing. The other changes that we have are just real minor, just kind of fixing up things a little bit for clarity purposes. And then, the other suggestion that came from the Maui Planning Commission was about adding the conservation organizations because I guess they have a severe shortage of getting the help they need to, you know, take care of our...our...our land here, the conservation area. So, that was changed also. So, that's it. I'm going to stop talking now, and then we can (*audio interference*) and I can go back to any slide that you need me to. Thank you.

CHAIR PALTIN: Thank you. And if I can have any comments from either Corp. Counsel or Director Teruya on the presentation at this time?

MR. TERUYA: (*Audio interference*).

CHAIR PALTIN: Ms. Martin on behalf of the Department of Finance, my bad.

MS. MARTIN: Thank you, Chair. The Real Property Assessment Division, in their Code, defines time share as being subject to HRS 514E, and that we'll probably continue to define time shares using that definition.

CHAIR PALTIN: Okay.

MS. MARTIN: Yeah.

CHAIR PALTIN: Thank you. And any comments from Corp. Counsel at this time? Seeing none. Then our last presentation before we open for public testimony is from Mr. Frank "Bud" Pikrone, the General Manager at Wailea Community Association. If there are no objections, I would like to designate Mr. Pikrone as a resource person in accordance

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with Rule 18(A) of the Rules of the Council, based on his expertise and experience in managing the Wailea Community Association, and their methodology of dealing with this new emerging fractional ownership schemes. Any objections, Members?

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

CHAIR PALTIN: Okay. Mr. Pikrone, are you on the line?

MR. PIKRONE: I am.

CHAIR PALTIN: All right. You can begin your presentation. Thank you so much.

MR. PIKRONE: Aloha, everyone. If I can, I'll just share the screen quickly. Just have a few little slides here. Okay, I...I want to get a quick start here on just explaining a little bit about how we got to where we are today. And I...and I think that's how we operate here, and how we started to operate as...as a community. As you probably know, we were created as an economic hub for Maui, and as it was being developed, the developer created the master plan for the 1,500 acres, designating what...the parcels for homes, condos, et cetera. And...and it was known then that it was typical that at some point, the developer would no longer take on the maintenance of the common areas, and neither would the County. So, the answer was an association of property owners that would share in the responsibilities, relieving the County of such responsibility. The Community Association was chartered in 1987, and managed the resort much like a town. To ensure that this corporation would remain in perpetuity, a set of covenants and restrictions was created and recorded on all properties in Wailea. These CC&Rs included many rules to maintain the aesthetics and standards desired in the community. One particular rule that was established back then was the prohibition of time share, stating simply that no time share ownership plan, or time share use plan, as defined in Chapter 514E, shall be permitted to exist within any lot, or with respect to the use, occupancy, or ownership of any lot. This was part of what was recorded on all properties, including hotels and undeveloped land back then. The only way for any member property to change this would be to have the documents amended by a vote of the membership. Now, to show you how that works, we recently amended our documents to strengthen this language. You can see the difference between what we had as one sentence, to all of this now as...and I think this is what you're going through is trying to get the definitions out and...and include everything. This was done to include clubs and fractional ownership, which is becoming a...a threat to our community, and a number of our homeowners and that are not too happy with it. So, they wanted some...some help, and so, we...we strengthened our rules. And...and this was passed by the membership, including--and I think this is important because I've had questions on this--including all seven hotels, and recorded on the deeds of, and it runs with the land. So, all the hotels supported this also, because I've had questions on what if...what if a hotel decides they want to go time share? Well, they can't, without changing the rules, which means a vote of all members. So, we...we've made it so the community kind of understands the importance of this cooperation. Like I just mentioned, the hotels have to cooperate. We...we...we kind of say that we're like a three-legged stool; you've got a residential, commercial, and hotel legs, and if one fails,



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the stool collapses. So, the communication about the importance of such topics meant to preserve our property values, along with the quiet neighborhoods, and maintain the luxury resort image in this case, helped us garner the support needed from all the property groups to make this work. So, that's where we stand right now. We saw the same thing you're seeing, is a need to make sure that everything got included that we could include, and that we could make sure that everybody understood the importance of it, and move forward to protecting our...our...our home sites. That was just a quick overview. I suppose there's going to be more questions. It might be more appropriate if they have questions at this time...or at some time.

CHAIR PALTIN: We were going to hold questions until after the testimony is done.

MR. PIKRONE: Okay.

CHAIR PALTIN: Thank you so much for your presentation. Okay, at this time, we can begin --

MR. PIKRONE: *(Audio interference)*

CHAIR PALTIN: -- the testimony. Let me just check the sheet. Okay, our first testifier is William Spence, to be followed by Faith Chase, and then Tapani Vuori. William Spence, are you available?

MR. SPENCE: Yes, I am. Ni hao, Madam Chair and...and Councilmembers. I think this is a very important bill in recognizing the exceptions to the definition of transients, and I thank Director McLean for drawing my attention to it. The...I'm testifying a little bit today about the Maui Ocean Center, which you heard a presentation yesterday at the CARES [sic] Committee. The...one of the things that the Maui Ocean Center Marine Institute wants to do is provide lodging for visiting scientists, and that's something that's not specifically mentioned in the exceptions. And I would like to propose a little amendment under Section 3 of the bill, under Number 7, where lodging is provided by nonprofit corporations or associations for religious, charitable, or educational purposes. And I'm wondering if we can stick scientific in there? This is something really important to...I think, to Maui as a whole because, you know, Maui is a biological wonder in the world. But specifically for the Maui Ocean Center Marine Institute, it would be really good if the scientists could come visit, stay at this proposed facility, and there would be no questions, no interpretations of Code or anything, that would be necessary to allow this. The...so, that's my suggestion for this bill. I would also say, I...I think that the addition for the healthcare workers is really essential. I've had...as a consultant, I've had several landowners call me and say, hey, I...I want to rent only to visiting nurses or doctors, and I'm really concerned about running afoul of the law and getting violations. So, thank you very much for including healthcare workers in this bill. And with that, Madam Chair, I'm completing my testimony.

CHAIR PALTIN: Thank you, Mr. Spence. We do have questions from Member Sugimura, followed by Member Rawlins-Fernandez.

MR. SPENCE: Sure.

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COUNCILMEMBER SUGIMURA: Thank you, Will, for being here. So, I know that you did a presentation yesterday in the CARE Committee. Can you tell me how many scientists, or how many rooms did this project anticipate to...to add to this? I don't think we got those kind of...level of details yesterday.

MR. SPENCE: Right, and...and I understand that. The...I know Tapani, who's the General Manager of Maui Ocean Center and the Marine Institute, he is also signed up for testimony, and he may be better equipped to answer that.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR PALTIN: Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Mr. Spence. Mahalo for your testimony. I'm sure you can anticipate this question, because you were a Director of the Department. So, how would you define scientific as you described in your testimony?

MR. SPENCE: I --

COUNCILMEMBER RAWLINS-FERNANDEZ: If you want to think about it and get back to us, that's fine too. I just...if...if --

MR. SPENCE: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: I was thinking that since you are proposing it to us, that you would have had some kind of a definition.

MR. SPENCE: Okay. No, I don't have a definition in mind. I...I think it's an excellent question. And I can...I'll think about it. I can consult with, like the APA definitions list, things like that, and I will get back to you. Great question.

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

CHAIR PALTIN: Member King.

VICE-CHAIR KING: Thank you, Chair. Thank you for being here, Mr. Spence. So, I just wanted to clarify that you do fit into...because it says provided by nonprofit corporations or associations. So, it...it is a nonprofit, just to confirm?

MR. SPENCE: Yes, that's correct.

VICE-CHAIR KING: And no rental income would be produced?

MR. SPENCE: That's correct. The...the intent of the Marine Institute--well, which is a nonprofit--they intend to provide lodging to scientists from...for free, from throughout

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the world.

VICE-CHAIR KING: Okay. And then...and then you're going to work on the...I guess I don't even know if we have a definition for religious or charitable because I know that's been --

MR. SPENCE: Yeah, I don't think we do.

VICE-CHAIR KING: Yeah. All right. Thank you. Thank you, Chair.

CHAIR PALTIN: Member Molina.

COUNCILMEMBER MOLINA: Thank you very much, Madam Chair. Good morning, Mr. Spence. And again, to clarify the addition...or usage of the word scientific, that would be Section 3, Number 7, to add the word scientific as well?

MR. SPENCE: Yes, that's correct.

COUNCILMEMBER MOLINA: And, you know, the question that Member Rawlins-Fernandez brought up about what specifically science...what type of science. Because I know there's some...you know, you...you...you mentioned in your testimony how Maui is certainly a place for scientific research. But of course, scientific research can be considered quite controversial, depending on what type of research it is. So, I don't know if it may be opening the door up to like some people feel differently, for example, about stem cell research, or GMO, that type of science, and whatnot. So, I don't know what we need to do as far as clarifying what science is, or what type of science should be allowed in legislation for this. But anyway, just some thoughts that kind of crossed my mind when that issue was brought up. So, any thoughts on that, Mr. Spence? As the Planning Director, I'm sure you're quite familiar with any language that could potentially address concerns like that.

MR. SPENCE: No, I think...I think there's...I mean, as far as what constitutes research or, you know, what's scientific, and what people agree with and don't agree. I know we have a number of corporations on Maui that are already conducting research that people may not agree with, you know, but those things are allowed by the zoning already. So, this would be something similar. We're...we're looking to allow something by the zoning.

COUNCILMEMBER MOLINA: Okay. Thank you much...very much for your insight, Mr. Spence. Thank you, Madam Chair.

MR. SPENCE: Thank you.

CHAIR PALTIN: Sure thing. Seeing no further questions, thank you so much for your testimony. Next up, we have Faith Chase, if she was intending to testify on Bill 130...oh, no, it looks like she's gone. Tapani Vuori, and I'm not sure if Barbara Parr wanted to testify on 131, and then Tiare Lawrence. Tapani?

MR. VUORI: Ni hao, good morning. Can you hear me okay?

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CHAIR PALTIN: Yes, go ahead.

MR. VUORI: Let's see. I'm not able to activate the video, but maybe that's better. Good morning, Honorable Chair and Councilmembers. Thank you for your time, and thank you for the opportunity to testify. I would echo the sentiment of Mr. Spence to a large extent, clarifying a few of the things here. The...like he said, the apartments, or the...or dorms, they will be very small apartments, they will be provided pro bono basis to visiting marine scientists. As far as the number of them, we have the architectural rendering that you saw yesterday. We have actually penciled out the rough floor plan. So, that will require architect actually drawing everything out, and actually planning it in detail. As of today, our conceptual idea is to be able to maybe have six small apartments or dorms on the fourth floor, that we would provide pro bono basis to visiting marine scientists. What is the definition of a scientist...scientist...that was the question. We currently actually are associated and do work with Stanford University. We have had also globally recognized turtle experts and authorities visit the facility in the past. And I would imagine how we define a scientist would be they would perhaps have university affiliation, their credentials, maybe they have published scientific literature that has been peer reviewed, so they are a recognized authority many times. And like Mr. Spence said, obviously the process for scientific discovery can be controversial sometimes. So, like we all experienced, for example, with the sunscreen issue, it still goes on, but Maui County decided to take leadership. And this issue actually was just discovered by a scientist, Craig Downs, many of you are very familiar with him. So, is he a scientist? I would say he is a scientist, so...although his work has been controversial. So, this is how I would personally define it. I would like to check with Tommy Cutt, who is our Executive Director, he's also a credentialed scientist. So, he can provide the definition much more clear...clearly than I can. So, I can...I can provide that for the Council if there's a need to do that. Thank you for...Ms. Takakura, for talking about the conservation professionals, that was important. And I would respectfully urge the Council...or the Committee to not define the exclusions too narrowly, although I understand you have to find a balance, but I would imagine marine science would be important part going forward for the economic future for Maui, like has been discussed today and yesterday. It's a big field, and Maui, indeed, is very special place. So, this is...we...we can be on the leading edge for marine science if we position ourselves correctly. Thank you.

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

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Mahalo, Mr. Vuori, for your testimony.

MR. VUORI: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, the definition that I was asking Mr. Spence about wasn't so much broadly about like, what is the definition of a scientist, rather, for these purposes, in this context, what would be the definition that would be applied? So, if...when you look into it, if you can think about it in those terms. And then with --

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MR. VUORI: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- I guess, with Member King's comments, following up on that. So, the...the projects that you're talking about, are they nonprofits? Because I...I think that if they are, then they should fall under what Member King mentioned earlier to Mr. Spence.

MR. VUORI: Yes. Maui Ocean Center Marine Institute is a 501(c) organization, and it's a separate organization legally from Maui Ocean Center, which is for-profit. And the intent is really to focus on the foundational pillars, which is the turtle rehab and rescue, and coral arc, and restoration, and education.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, and it...it wouldn't make profits off of...or off of the rents?

MR. VUORI: Of course. Absolutely not. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: I think it would...it would probably qualify. Mahalo, Chair. Mahalo, Mr. Vuori.

CHAIR PALTIN: Member King.

MR. VUORI: Thank you.

VICE-CHAIR KING: Thank you, Chair. I thought I saw Tasha's hand up. Did...did you have your hand up earlier?

COUNCILMEMBER KAMA: I...I did.

CHAIR PALTIN: Oh, okay. Member Kama, go ahead.

COUNCILMEMBER KAMA: Thank you. So, I was just trying to follow the discussion in terms of we're talking about definitions. So, all I've heard is we're talking about marine sciences. But, you know, there's other sciences that are out there, right, that do studies and people come here, whether it's for biology or astronomy, chemistry, or whatever. Is that all part of who we're talking about too, when we're talking about science and trying to accommodate these scientists who may be coming here to study these different things? I'm just trying to get a specific bird's eye view. Are we talking about all of the sciences, only marine science? If someone could answer that, Chair, I'd appreciate that.

CHAIR PALTIN: Mr. Vuori?

MR. VUORI: I can chime into that, Member Kama. That's an excellent question. My personal recommendation would be to expand it to include scientists in other fields as well. Why limit ourselves with the options? Of course, the...what is the right balance? That is really to be decided here, I would imagine.

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COUNCILMEMBER KAMA: Right. And I think I heard...Chair, I heard Mr. Spence mention something, I don't know...I don't know if it was him, or...something about essential scientists. So, I'm just trying to figure, you know, if we can talk about the essentialness of this because then maybe some things are not as essential?

CHAIR PALTIN: We're...we're just doing clarifying questions --

COUNCILMEMBER KAMA: Okay.

CHAIR PALTIN: -- for Mr. Vuori right now.

COUNCILMEMBER KAMA: Okay. Thank you, Chair. Thank you, Mr. Vuori.

CHAIR PALTIN: All right. Member King.

VICE-CHAIR KING: Thank you, Chair. So, thanks for being here, Tapani. So, because --

MR. VUORI: Thank you.

VICE-CHAIR KING: -- under Number 7, where you guys are talking about under Section 3, it says provided by nonprofit corporations or associations, but it says for specific purposes. So, if we put in...rather than saying for scientists, if we put in the specific purpose as being scientific research, would that serve your purposes? It could --

MR. VUORI: I would...I would believe so, yes.

VICE-CHAIR KING: For religious, charitable, educational, or scientific research purposes.

MR. VUORI: Yes.

VICE-CHAIR KING: That would work? Okay. Great. Thank you. Thank you, Chair.

CHAIR PALTIN: Thank you. Mr. Vuori, I did have a question.

MR. VUORI: Okay.

CHAIR PALTIN: In your personal definition of a scientist, you had mentioned affiliated with a university. And I just was wondering, for Number 7, in that Section 3, it does say for religious, charitable, or educational purposes. You don't think that the scientists that are coming to the Marine Ocean Center are coming there for educational purposes? Would that not fulfill your need?

MR. VUORI: Most likely they will do educational purposes, that has already happened. But personally, I see a lot of value in making sure that we do not delineate the...or exclude the scientific purposes because this is really, really in my mind where the...a lot of potential also remains, if the scientists can come to Maui and do marine science in our

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case...specific case.

CHAIR PALTIN: Okay. And then is there a component...I mean, with the educational purposes, to me, the way that I interpret it as, it's not so much about people coming here, but it's about growing our own talent, you know? And if they're not coming here to contribute to the educational purposes and growing our own talent, and strictly for the science and...and the...the thing, I'm not sure I 100 percent agree with it. You know, if they're coming here, and doing science, and they're enriching our community, and offering these educational opportunities for our own residents, that's wonderful. But if they're coming strictly for the --

VICE-CHAIR KING: Point of order...point of order, Chair, are we getting into deliberation?

CHAIR PALTIN: No, I'm asking a question.

VICE-CHAIR KING: Okay.

CHAIR PALTIN: Then --

MR. VUORI: I can clarify that. Thank you for the question.

CHAIR PALTIN: -- situation (*audio interference*) --

MR. VUORI: I...I would imagine that it is sort of a hybrid outcome that will happen. There will be purely scientific individuals who would just do research. They're not necessarily focused on education. But every time we get these people here at this caliber, it will only be positive for Maui, I believe. And of course, MOCMI will benefit as well. We now are going to be connected with many of these institutions, whether they're universities...mostly they're universities. And, you know, we have already seen this, we have had visiting scientists here who have actually incorporated education portion to it, where they have actually educated local kids here within their field of expertise, like turtles, has happened. So, I see it as a hybrid. I don't see us defining it, that it has to be specifically only strictly scientific research and no education. Being an ex-public school teacher, education, trust me, it's very close to my heart. I want to make sure that we lift the boats for everyone here, especially in our communities that have not...no access to marine science or scientific education. So, it becomes one more option and skill sets...skill set that they can actually look forward to.

CHAIR PALTIN: Thank you. Okay. Seeing no further questions, thank you for your testimony.

MR. VUORI: Thank you.

CHAIR PALTIN: Next up --

MR. VUORI: Aloha.

CHAIR PALTIN: We have Tiare Lawrence, to be followed by Jeffrey Roberts, and then Kai

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Nishiki.

MS. LAWRENCE: Aloha Councilmembers. I'm here with Auntie Mopsy. We're...we're tuning in from Napa Valley, we're on our way to a winery. But we just felt today was important, and that we had to do our due diligence to serve our community. So, here we are, from Napa Valley. I just wanted to testify today in strong support of Bill 139. Yeah (*audio interference*) I fear that allowing companies like Pacaso will make it easier for millionaire investors to buy up homes, ultimately resulting in driving up property value and taxes to neighboring properties that could impact local residents. Other communities like Sonoma City, Monterey County, and Carmel City are just a few examples where the community is fighting back hard against fractional home ownership by passing and implementing policy and laws. Please support any bill that will help ban fractional home ownership in Hawai'i. Mahalo for allowing me to testify today.

CHAIR PALTIN: Thank you. Members, any questions for the testifier? Seeing none...oh, Member Rawlins-Fernandez has a question for you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha, Ms. Lawrence, and Ms. Aaron. Mahalo for tuning in from California, where they're fighting back the fractional ownership. Are you able to do any site visits on those areas, see how they're doing it?

MS. LAWRENCE: Well, we are next to Sonoma, and we'll be happy to go to a site visit at one of the wineries. But I would urge the Councilmembers to check out [stoppacasonow.org](http://stoppacasonow.org) [sic]. I've been in communication with some of the...the organizers there, and, you know, they have a great...you know, resources on their website to kind of fill you in on, like, what other communities are doing in terms of legislation. And they have dealt with the lawsuits and all of that, so they've kind of worked through a lot of that. So, I'd ask all of you to check that out, it's a great resource to have. And...and to actually reach out to them, they're very responsive, and they'd...you know, yeah, be great resources. But yeah, we'll go check out Sonoma.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Ms. Lawrence. Mahalo, Ms. Aaron. Cheers.

MS. LAWRENCE: Yeah (*audio interference*)...sorry, I just wanted to mention, you know, people like Auntie Mopsy who live close to many other million-dollar home neighboring properties, if my property values go up, it raises the property taxes on homeowners like herself, and kupauna that are living on a fixed income. So, I just really want to...want us to think about that, and think of...think of Auntie Mopsy. Okay. A hui hou, have a beautiful day. Aloha.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo.

CHAIR PALTIN: Aloha, a hui hou. Next up, we have Jeff Roberts.

VICE-CHAIR KING: Chair, I have a question...I have a quick question for --



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CHAIR PALTIN: Oh, what is your question?

VICE-CHAIR KING: It was for Tiare.

MS. LAWRENCE: Yes?

VICE-CHAIR KING: Oh, okay. Aloha. Thank you for calling in. The website you talked about, the stoppacaso, is that...was that created from Hawai'i, or is that a national effort?

MS. LAWRENCE: It started...I believe it started in California. California was kind of on the front lines in terms of fighting against fractional homeownership, and it's branched out to all around the nation. But they...they have all newspaper articles and all the resources on their...their home page.

VICE-CHAIR KING: Okay, great, thank you.

MS. LAWRENCE: And I think it's stoppacasonow.org [sic].

VICE-CHAIR KING: Stoppacasonow.org [sic]. Okay.

MS. LAWRENCE: Yes.

VICE-CHAIR KING: Thank you.

MS. LAWRENCE: Okay, aloha.

CHAIR PALTIN: Okay, next up, we have Jeffrey Roberts, to be followed by Kai Nishiki, and then Tom Croly. Jeffrey Roberts, it's your turn to testify. Jeffrey Roberts is the General Manager of Ironwoods. I thought he had signed up. Okay. Well, moving along...oh, maybe there he is. Mr. Roberts, is that you? Oh, he can't speak. We can come back to you then in that case. Kai Nishiki, to be followed by Tom Croly, to be followed by Faith Chase. Kai Nishiki, it's your turn to testify.

MS. NISHIKI: Good morning, Chair, Committee Members. I...sorry, can you hear me?

CHAIR PALTIN: Yes, go ahead.

MS. NISHIKI: Okay. Great. I stand in full support of outright banning fractional ownership. But obviously, if we cannot outright ban it, to extremely regulate it. The last thing that we need is more tourists buying up our very limited housing supply...and, you know, having, basically, time share hotels in our neighborhoods. And, you know, so, I really fully support the...the regulation of this. And our community is going to come out strong against any push from Pacaso or other realtor types who are pushing this sort of scheme to further have more tourists come here. You know, tomorrow you folks will be taking up the...the caps bill, and our community has come out strong in saying, you know, we really want tourists to stay at the hotels, and be out of our neighborhoods. So, this is very important legislation. Thank you very much, Councilmember Paltin, and the

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Onipa'a 2022 candidate slate who are all about our residents, and findings ways to manage tourism. Mahalo.

CHAIR PALTIN: Thank you. Members, any questions for the testifier? Seeing none. Thank you for your testimony. Next up, we have --

MS. NISHIKI: Chair, could I just...could I just clarify we're doing testimony, so...for...if I wanted to testify on the SMA, then I got to wait for the...that item to come up?

CHAIR PALTIN: Yeah, that's preferable. And...and the main reason is because I'm not sure if we're going to get to it, how long this one is. Thank you.

MS. NISHIKI: Got it. Thank you, Chair. Bye.

CHAIR PALTIN: And next up we have Tom Croly, to be followed by Faith Chase.

MR. CROLY: Aloha, Committee. Tom Croly, speaking on my own behalf here. I...I support the intent of what...what you're trying to do here, but in...I don't think we're going far enough in just changing definitions to really make this effective. And I think that with some of the exclusions that you might be asking for, you may be opening the door to other creative ways to...to utilize properties for transient accommodations that aren't really, you know, what...what they're intended to be. I know the...the Department is currently having trouble with a place that's supposed to be a school. They're supposed to be a learning facility, but...but they're, you know, not necessarily conducting their business in that way. And I want to point out that...that one of the ways that...that we regulate this right now is through advertising. We say if you're advertising, you have to have a number and so forth, in order to advertise this. So, any of these exclusions that you might put together, I would recommend you have some type of a registration system for those exclusions to be put in, so that their number could be posted on their advertising, and that could be shown as legal. When we say that people can rent to workers at...at...at medical facilities, if that basically opens the door to anyone advertising on VRBO and saying, I'm only renting to people who...who...who work in medical facilities, that...that might be a difficult thing. But I do want to point out one huge, huge issue in our current Code, okay, which is the Apartment District. The Apartment District, for everything that's been built in the Apartment District since 1991, it should be used for long-term residential uses. Specifically in our Code, it says residential buildings and structures within the Apartment District must be occupied--occupied being the key word--on a long-term residential basis, except where otherwise allowed by this Code. And then it...it defines long-term residential in the Code, as means an occupancy of a dwelling or lodging unit by an owner, family, lessee, or tenant for 180 days or more per year. Now, I...I hope everyone knows. I hope everyone is...is aware of the fact that virtually everything that we have built since 1991 in South Maui, in the Apartment District, are used as second homes, okay? Some of them, the owners live in, a few of them are rented, but the majority of them, more than 50 percent, way over 50 percent, are used as second homes exclusively. Now, by our definition of transient, okay, as you're amending right now, transient means any visitor or person who owns, rents, or uses a lodging or dwelling unit, or a portion thereof, for less than

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180 days, and whose permanent address for legal purposes is not the lodging or dwelling unit occupied by the visitor. And then it goes on from there. But...but again, my point is, that means that every person who owns a second home in Maui, at least in the Apartment District, and is using it as a second home, and not as their primary dwelling for more than 180 days a year, is running afoul of this. Now, I don't know if we're just looking the other way on that, we're...we're...we're promoting that, maybe we want that. I don't...I don't know. I'm not...I'm not passing judgment, I'm just saying that's the way it is. So, now, you're creating a...a further definition of transient to try to say these other things are transient. But we really don't have a...a clear, how are we going to enforce this scheme laid out here. Again, for transient accommodations rentals, our enforcement is through advertising. We look at the advertising. Is it compliant? If it's not compliant, then we go after the owner of the...of the property. Here, you're...you're...you're bringing an exception, you're bringing in some exceptions, plus, you're bringing in some more regulation to it. But it's not clear at all how you would go about enforcing this. So, I don't think you have enough in this bill to do what you want to do, and I do want to bring up to your attention, this conflict that we currently have in our Code between the 15,000...let me say that again, 15,000 second homes that are not short-term rentals, they are not bed and breakfasts, they are simply second homes spread throughout our County, okay? And that number is continuing to go up. So...so, we're not doing anything about our housing when we're not addressing that, which is umpteen times, you know, a hundred times the...the short-term rentals and...and...and bed and breakfasts on...on the island. So, anyway, there you go. I hope you understood the...the conflicts that I brought up, and I hope you understand the idea that just changing a definition doesn't lay out how are we going to enforce in this...in this arena. Thank you, Chair.

CHAIR PALTIN: Thank you. Member Rawlins-Fernandez, followed by Member King.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Mahalo, Mr. Croly. Important considerations you brought up, mahalo for your testimony. In the definition of transient, I...I guess in understanding the fractional ownership, there's like eight owners who own it for the entire year, they don't just want it for a portion of the year. So, I'm just...I'm...I'm trying to make sure that we're addressing the points that you brought up. In...in thinking of that ownership, where it's the eight of them owning it the entire year, does that address the concern of a...of a second? Because they have a schedule plan, agreement license, or scheme where they...they use the property, and second owners don't have that. And so, do you see that as distinguishing the two types; the...the second owner who doesn't use it as an STR or TVR, and then fractional ownership that have a...a plan or a scheme on how the property is used and when?

MR. CROLY: Well, you're talking about a plan or a scheme that's been registered with the State. So, someone is getting a title that says, okay, you have a title, and you have a share of this property. I know of casual arrangements, where three owners have gone together and purchased a house, and said you get to use it four months a year, and you get to use it four months a year, and you get to use it four months a year, and your friends can use it when we're not using it, and so forth, okay. So, in that case, the...the...you know, the three would exceed this 180 days thing, because they wouldn't

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be able to say, hey, we split it up, or it's half and half. But that arrangement, that agreement that they have come to together, is not a publicly published agreement, you know? That's just an agreement between three people who decided to buy a property. So, the question is, are we trying to...to regulate that, or are we only trying to regulate the ones that file with the State, and file on the deed, to say this property is owned by these people under these conditions? And if...if that's the case, I'm sure that the lawyers can figure out a way around whatever you define here, to...you know, to come up with something that...that...that steers its way around that. So, again, I think just defining the...the ownership doesn't...doesn't do it for us. And then again, how are we going to enforce it? Where is the Department of Planning, who this falls under, going to look into each of these arrangements and agreements, and say whether or not it meets the Code or doesn't meet the Code? I don't know.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that clarification, Mr. Croly. We'll...we'll...we'll continue that discussion during deliberation.

MR. CROLY: Sure.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR PALTIN: Thank you. Next up, we have Member King.

VICE-CHAIR KING: Thank you, Chair. Thank you for being here, Tom. Always insightful thoughts. I had the same question as Member Rawlins-Fernandez, but I think you clarified, you know, what your concern was. But I also wanted to ask you, when you were talking about the thousands of second homes, that...that you realize that we have this classification, non-owner occupied, and that's kind of how we're addressing that? The...for the tax --

MR. CROLY: Well, I mean, you're taxing them higher, and maybe trying to discourage it through taxation, but...but...but recognize just how big that class is, and just how big that class is continuing to grow...way, way more than any of the...the...the things that...that the Council has spent so much time on--short-term rentals, bed and breakfasts, and so forth. There's where your housing stock is going, or...and has gone, okay, just...just to be clear.

VICE-CHAIR KING: Okay, so...so, are you advocating that we raise those taxes higher to discourage it more?

MR. CROLY: Well, I mean, whether or not taxation is enough of a discouragement, you can take a look at, you know, whether...whether that policy has been...has been successful or not, okay? But...but I'm saying that...that that's the only way that the Council has tried to address that as an issue. And no, you know, it may take a few years before...before you see any...any change in...in that. And I'm not saying that's the right policy, but I'm saying that's the only policy that the...that the Council has taken. And yet, we're...now we're chasing down an upcoming thing, which could be a problem, but we already have a problem, right? So...

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VICE-CHAIR KING: Okay. Thanks for your input, I appreciate it. Thank you, Chair.

CHAIR PALTIN: All right. Seeing no further questions. Thank you for your testimony. Next up, we have Faith Chase, and then we'll check back in on Jeff Roberts. Faith Chase, it's your turn to testify. Oh, looks like we have couple telephone numbers too. Faith Chase, are you ready? Okay. Next up, we have 4940. Last four digits, 4940 to be followed by last four digits 4...3437. 4940, it's your turn to testify. 3437, it's your turn to testify.

MR. ROBERTS: Aloha (*audio interference*) hold on.

CHAIR PALTIN: You might want to turn off a different --

MR. ROBERTS: Okay.

CHAIR PALTIN: -- viewing device.

MR. ROBERTS: Can you --

CHAIR PALTIN: Okay. Testifier with the last four digits 3437 --

MR. ROBERTS: Hello?

CHAIR PALTIN: -- if you wish to testify anonymously, you don't have to tell us your name. If you want to let us know who you are, you can tell us your name.

MR. ROBERTS: Aloha kākou. This is Jeff Roberts.

CHAIR PALTIN: Oh, aloha, Jeff Roberts. Go ahead.

MR. ROBERTS: I...I...yes, I apologize about the technical difficulty. I'm calling just to let you know that, yes, I fully support the...the definition changes of 131. As you know, I manage The Ironwoods, which is an owner-occupied or...or owner non-occupied property. The...the...we...we basically changed our bylaws to help close the barn door that occurred here, and the only exception that we have is...is for family units. And then in that respect, the definition of the family unit is each owner member shall be related to one other owner member as a grandparent, parent, child, grandchild, sibling, niece, nephew, cousin, or a spouse of a qualified owner member. And thank you.

CHAIR PALTIN: Thank you, Mr. Roberts. Members, any clarifying questions? Member Sugimura.

COUNCILMEMBER SUGIMURA: So, thank you, Mr. Roberts. Is there a requirement for proof? Or how...how difficult is it to enforce that?

MR. ROBERTS: That is an excellent question. That would probably end up relying on my...on

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my lap, but we don't require proof at this time. We just literally passed this through our ownership in the last two months.

COUNCILMEMBER SUGIMURA: Okay. Thank you. Thank you very much for sharing that.

CHAIR PALTIN: Members, any further questions? I did have one, if no one has one. Mr. Roberts, when you were saying it had to be a family member, does the family member need to be there with the owner at the same time, or could the owner not be there, and just the family member there?

MR. ROBERTS: Well, we would allow a family member without the owner.

CHAIR PALTIN: Oh, okay. All right. Seeing no further questions. Thank you so much for your testimony.

MR. ROBERTS: Thank you.

CHAIR PALTIN: I did see Junya Nakoa join, and Dick Mayer. Junya, did you want to testify on the time share plans? Oh, no. Mr. Mayer, did you want to testify on the time share plans? *(Audio interference)*.

MR. MAYER: I just wanted *(audio interference)* I have just turned [sic] in, I have not listened previously *(audio interference)*.

CHAIR PALTIN: You might want to mute whatever device you're listening on because it's --

MR. MAYER: Okay. Let me just turn off that. I would like...I have no comments, other than I want to stop fractional ownerships.

CHAIR PALTIN: Okay. Thank you.

MR. MAYER: Absolutely, there should be...should really sight [sic] very tight controls, and dot the I's, and make sure that those don't start up as a whole new sort of vacation rental.

CHAIR PALTIN: Okay. Thank you. All right. We've gone through the existing list. I see people coming on and off, on and off. So, this will be a last call. Last call for folks who want to testify. Okay, Junya Nakoa, go ahead.

MR. NAKOA: Howzit, brah. My stuff stay going in and out. Sorry, sorry, sorry. Yeah, I just went to one development stuff here in Kapalua, and get some more of these buggahs coming here. You got to stop them in every way. We looking to you guys because I told you guys this how many thousand times, you guys badass, everybody going follow you. The State, Honolulu is watching. Yeah, we got to stop these fractional homes, or the ownership, or whatever you want to call 'em...we call 'em dummies, but...from taking over our neighborhoods and taking over our islands, yeah, 'cause I going make sure this buggah no happen over here. Shoots. Keep up the good work. Yeah, like Dick said, cross the T's, dot the I, make sure cannot screw...these guys cannot find a way to go

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through the loopholes and all the hurdles. Mahalo, you guys, you guys badass. Like I say, keep up the good work. Okay, bye.

CHAIR PALTIN: Thank you. Members, questions for the testifier? Seeing none. I did see Mr. Economou had signed up to testify. Mr. Economou, it's your turn. Oh, can't hear.

MR. ECONOMOU: Is that better?

CHAIR PALTIN: Yes.

MR. ECONOMOU: Thank you. Thank you for the opportunity to testify. My name is Jason Economou, and I'm testifying on behalf of the Realtors Association of Maui. The Realtors Association does not have a...a position concerning this specific legislation yet. However, I do want to share some concerns because of some confusion I had with how this applies between zoning, and how it applies with taxation. Because it's my understanding that these definitions would...would specifically apply to the zoning provisions, but there would be a difference in how the definitions work for taxation. And I think that that could be confusing to administer, and I think it could also be confusing for taxpayers that are looking at the Code. So...so that, I think, should be addressed a little bit better because I think even the fact that they're different is...is only mentioned in the notes, and not necessarily in the legislation itself, but I might be wrong on that. In addition to that, there were...I think a decision was recently made in a lawsuit that was related to the short-term rental property tax definition change that you guys made a couple of years ago. And...and in that...in that lawsuit, there was recently a motion for summary judgment, where several taxpayers had...had brought a suit, saying that it was unconstitutional, because it treated similarly situated taxpayers differently. So...so my concern here is that it will treat similarly situated taxpayers differently. You know, this...this is arguably targeted legislation at a...at a certain type of...of ownership, and so...so if there are going to be property tax implications, and this legislation is...is targeting them to treat people differently, you might...you might have issues with the constitutionality of it. And...and based on that recent decision in, let me see, this was in the matter of the Tax Appeal of the Steven Lau (*phonetic*) Revocable Trust. So, that was a tax appeal recorded in the State of Hawai'i that was a recent case. You might want to have Corporation Counsel look and...and check the constitutionality of this, based on those notes. So...so, that's my...my feedback for you all. Obviously, housing is...is an issue, and...and I understand why you're doing this, and...and if you're going to do it, I just ask that you do it within the bounds of the law. For now, that's what I'm asking. So, thank you.

CHAIR PALTIN: Thank you, Mr. Economou. Members, any questions for the testifier? Member King.

VICE-CHAIR KING: Thank you, Chair. Aloha, Jason, thanks for your input. So, the...my question was, you know, if we're...we're specifically addressing fractional ownership, and so, you...is there...I mean, I'm just trying to understand what you see as possibly discriminatory because, you know, it...it's...

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MR. ECONOMOU: So, if...if suddenly, a group of owners that would have been considered non-owner occupied this year gets lumped into the time share property tax class, and they're paying a significantly higher tax rate merely because you changed the definition, and you changed the definition to target that specific group of owners, I...I think that...that there might be some case law that suggests that that's an unconstitutional action.

VICE-CHAIR KING: Okay. I guess we'll have to ask Corp. Counsel that. Okay, so, I...I kind of see what you're saying. I just think that, you know, it's...it's a policy issue, but --

MR. ECONOMOU: It is. And...and there's...there's clearly...you know, there's clearly constitutional ways to...to lump different property owners into different categories. You know, currently we do it on...on an actual use, and on that...that actual use basis was deemed constitutional. But as I'm saying, two years ago, this Council changed the real property tax definition for short-term rental to...to target owners that were otherwise paying a much shorter...or much less tax, and...and that has recently been deemed by a court to be unconstitutional. So...so, I would...I would hate for that to happen again because, you know, arguably, that...that change that was unconstitutional, was unconstitutional from the get-go, and you guys now owe potentially a major refund to...to lots of taxpayers. So...so that's going to be costly to...to County taxpayers, and...and I would like to avoid that.

VICE-CHAIR KING: Okay. All right. Thank you. Thanks for that clarification. Thank you, Chair.

CHAIR PALTIN: Members, further questions for the testifier? Seeing none. I had one question. Did you see the presentation where Ms. Martin said that they're not changing their definition of how they tax? It was still according to that HRS.

MR. ECONOMOU: I read it. I did not see the...the presentation.

CHAIR PALTIN: Oh.

MR. ECONOMOU: But I am aware of...that...that the taxing procedure is different, but just...that also is an issue. If you...if you have different definitions for taxation than you do for...for zoning, it just gets confusing in the administration.

CHAIR PALTIN: Okay. And then just the constitutionality that you were referring to, to clarify, that was the United States Constitution?

MR. ECONOMOU: Yeah, and it would it...it would also be the State of Hawai'i.

CHAIR PALTIN: Okay. Thank you for that clarification. All right. Any further questions for the testifier? Seeing --

MR. ECONOMOU: All right. Thank you so much, Chair.



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CHAIR PALTIN: Sure thing. All right. Let me see. Is Ms. Chase available to testify?

MS. CHASE: Aloha, Chair.

CHAIR PALTIN: Aloha.

MS. CHASE: Kala mai, I've had such hiccups this morning. I'm still...I'm still a little bit chuckling about the constitution question. It's a good question. Okay. First of all, I just want to say, as we wrap up, like I'm trying to do for all my great...this great body of Councilmembers, I want to just say, the week prior to election, that I absolutely appreciate your fortitude, and your tenacity, and your clarity in moving such amazing pieces forward. I really want to mention how safeguarding it was, that you forwarded that communication to the Mayor about title...questions of title. It really helps support the houseless community, and it's actually been rippled throughout Hawai'i, and mentioned in a lot of different forums. So, I just wanted to say that before I don't...maybe don't get another chance to say that. This is a really interesting conversation. I've learned a lot, listening to my fellow testifiers. I'm absolutely appreciative of...of the conversation, and I trust your guys' data mining and research to make decisions. It's really interesting, the tax conversations. I just want to say that that one piece in Number 8 [sic], whatever...or that Section 3, Number 8 [sic], that I just have to take advantage of the opportunity to say, you know, conservation organizations. I actually don't absolutely agree with some of the science that the conservation groups have used up to date. We have a strange revolving door for pesticides, for invasive species...species, we haven't really nailed that down. So, I would just hope that, you know, moving forward, that those conservation groups that might get a...a...somewhat of a understanding are actually promoting wildlife conservation with the health of the people and the environment in mind. I echo some of the previous testifiers in the registration...I know enforcement...when you come up with good ideas, enforcement is always that lingering sort of body of work that you just hope and pray that, you know, you get personnel and sophistication. I do believe that any...it's...it's...I do believe...policy and databases are going to save the world, so, it's just a good database. And I think that the registration system can be created. We are definitely in a crisis. We are definitely in a crisis. One of the emails I got early this morning was begging the Police Department, the Mayor, our Director, Lori Tsuchako, about, hey, what are we going to do about these vehicles that are marked derelict vehicles? We have people living in them, and MPD, DLNR, nobody's got that...nobody's on the right page still. So, I just want to impress that we are in a crisis, and everything you do to help the housing situation is so totally appreciated. Even if you...you have deliberations, and you table this, or you come back to it, or whatever you decide today, the conversations you're having right now...and oh, please, I hope there's press that's watching and listening, you know, that is what we need, you know, that we're talking about it, and we're trying to figure out solutions, and you better slow your roll coming up in here and disrupting and profiting off of our island...or in our...our four-island county. So, just thank you for all the good work. Mahalo.

CHAIR PALTIN: Members, questions for the testifier? Seeing none. Thank you for your testimony. And that brings us to our last call. Last call for testifiers? All right. Hearing

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nobody rushing forward, I will now close public testimony on PSLU-59, accept any written testimony, and proceed with our discussion.

. . . **(END PUBLIC TESTIMONY).** . .  
[PSLU-59]

CHAIR PALTIN: Members wishing to speak should see my name and raise their hand, so that I may recognize you. At this time, Members can go beyond and ask any questions beyond clarifying from any of our resources at this time, and we can...I'll just take everyone up as they raise their hand. And Staff, if you could put a three-minute timer for the first round. Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. Great discussion, and important. So, I am concerned regarding what Jason Economou mentioned. I think his statement was that he's concerned about similarly...similar legislation, and a recent decision...tax appeal which was won, and we have liability. So, Stephen Lau (*phonetic*) Revocable Trust was what he mentioned, and I wonder if Corp. Counsel can make a comment if...if this legislation does expose us to what Jason Economou talked about. So, it'd be a Corp. Counsel question.

CHAIR PALTIN: Okay. Corp. Counsel.

MR. HOPPER: Thank you, Chair. I think we can...I can review that...that case, but in this particular legislation, you're only defining what the zoning...your zoning definition of a time share plan is. You have existing definitions in your zoning code of a time share use plan and a time share ownership plan. You are expanding those definitions in certain respects, similarly how the County has...has expanded the transient vacation rental definition. Right now, your...your time share plan definition says that...is concerned with the ownership circulating for 60 days or less. In this new legislation, it would be 180 days or less, consistent with how you've defined transient vacation rental. So, that's...that's what the time share plan definition changes are here. As far as tax...tax consequences on that, I'd defer to Finance on that, and if...if they think we need to...to look at the case law on that, we can. However, the only thing before you today is whether you want certain...certain actions to be also considered time share use, or time share ownership plans. That's...that's the concern that I believe was raised by...by a Councilmember, as well as the Planning Department, and...and that...that this draft is intended to deal with basically things that the...the Council would believe should be qualified as time share plans, and a time share use, and making clear...basically clarifying under the definitions that...that these items are indeed considered time share plans under the...under the law. Again, there's an existing law that defines these things. This is making clear that the...the...if the ownership circulate...circulates for less than 180 days, it's considered a time share plan versus only 60 days, which is the current definition.

COUNCILMEMBER SUGIMURA: So, you're saying that our...our proposed legislation is okay? That we would not be in conflict?

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MR. HOPPER: Yeah. Again, this legislation does not...this legislation solely deals with your zoning definitions, and I believe the County Council does have the right to...to make a decision whether or not this...this use...this activity is something that's allowed or prohibited, and that's shown by the County for...for decades, having already regulated time share plans and...in these situations. The tax consequences, I do believe, are a separate issue from where...what...where you would like to allow these uses. And if there's an issue with that, we can work with Finance on that, and talk to our...the...the attorneys who handled that appeal and get their advice on that. But again, you...you, I think, have the ability to determine where the use...under HRS 46-4, and your...your zoning powers, to determine where this use is...is either allowed or prohibited.

COUNCILMEMBER SUGIMURA: Okay. Because I think we heard from Marcy Martin saying that they're still going to use HRS 514E for their definitions. So...and I know you said tax is different than land use, so, what...what...are we creating a conflict, or Corp. Counsel doesn't see that as a problem?

MR. HOPPER: I mean, again, if you want a great...more...more specifically define the...the taxation, I think you can look at passing legislation to...to that effect. What we were tasked with in this particular case, in...in dealing with the legislation, was that...that...to...to ensure there was clarity with respect to time share use and time share ownership plans, and the definition of transient, and how it related to the time share ownership and time share plans that were operating for less than 180 days. And that...you know, to bring that up to a more consistent definition with...with transient vacation rentals. So, I...I think that's what we were tasked with, and I do think...I mean, the legislation was approved by our office. We do think the legislation is...is...is legal and supportable.

COUNCILMEMBER SUGIMURA: Okay. Thank you.

CHAIR PALTIN: Thank you. I didn't hear the bell, but that was about three minutes. And before we go on to the next Member, I...I did want to mention that this has been signed off by Corporation Counsel, and gone through the Planning Commission. Before we go on to the next Member's questions, maybe this would be a good time...I see that Planning Department and Corporation Counsel didn't have time to respond to the transmittals in writing, but Ms. Takakura said that they had sent a response, it just hasn't reached us yet, and she would be able to answer the questions for us. So, before we go on to the next Member, let's just see if we have the answers to all the questions we had transmitted last week. So, since Ms. Takakura is ready, let's hear from her.

MS. TAKAKURA: Okay. Thank you, Chair Paltin. So, thank you for your transmittal, and I apologize I wasn't able to get it to you in time. It is enroute, but...and it was just two questions, so I'm going to read your questions, and then our response, okay. So, question one was, how will the Planning Department enforce the requirements of Bill 131 as currently drafted? And the Department's response is that we will follow our current practice of responding to complaints submitted by the public, and working with vacation rental platforms Airbnb and Expedia through our memorandums of understanding. And we're also in the process of reviewing requests for proposals for a

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new contractor to research vacation rental website advertising. We do have a suggestion, if you want, for Maui County Code Chapter 19.37 relating to time share plans. The County Council may want to consider including advertising and marketing as evidence of operation, similar to the language that we have in Chapter 19.64, which is our Bed and Breakfast Homes chapter, and 19.65, which is short-term rental homes. So, this could be added to the proposed bill, and I'll...I can put this in the chat, so you don't have to, like, frantically write it all down. 19.37(D), Advertising or marketing that offers a property as a time share unit constitutes prima facie evidence of the operation of a time share unit on the property, and the owner, operator, or lessee of record bears the burden of proof to establish that the subject property is being used as a legal time share unit, or is not in operation as a time share unit. And so what that does, it just counts advertising or marketing as evidence of the operation, and that would be another tool in our toolbox for enforcement purposes. And like I said, I'm going to get out of the PDF and into the Word, and I'll copy that into the chat in...in just a minute. And then there was the other question. Would the inclusion...inclusion of a registration requirement in Bill 131 better facilitate enforcement within the Planning Department? And our response is, at this time, we do not think registration is necessary to effectively enforce the proposed bill. So, that was answers to the two questions. Thank you.

CHAIR PALTIN: Okay. Thank you so much. And Corp. Counsel, I also did send an RFLS, I just was wondering if you had any comment on those questions, I believe, where whether counties have the power to regulate LLC formation for fractional real estate ownerships when corporations and partnerships are regulated by State law under Title 23, Hawai'i Revised Statutes?

MR. HOPPER: Did...did you want me to address each question individually? Again, we got this on...I think it was sent Friday and, you know, with the...the caps thing...issues going on, and the things that we were working on, we have not had an opportunity to provide a written response. I can, I think, address these orally because again, we did sign the legislation. I think a lot of these questions...you know, this is already something the County is regulating. So, just...just to be clear, if you look at the definition, the actual change to the definition is of time share...and this is in...this is in the bill, you know, it's...it's 19.04.040, changing the definition of time share plan. And again, time share plans are in your Code 19.37. It basically says you cannot do a time share plan outside of the Hotel District. In the Hotel District, you can do them, outside you cannot. And so, changing the definition deal...does that regulation. If...if you are clear that that's...it's defined as a certain activity, you can't do it outside the Hotel District. And so, the change to that definition was adding 180 days, and the time share ownership plan and time share use plan is sort of consistent with State law. The County is not...I...I don't see the County as attempting to regulate LLC formation. It's not the formation that creates an issue, it's...it's an agreement. It's a time share either ownership plan or use plan, and that activity that's being regulated. Just like we should regulate an LLC that operates a transient vacation rental, you can regulate an LLC that would operate a time share plan. So, I don't...I don't see that as regulating the formation of the LLC, it's the activity of the LLC and its members that's being seen as a zoning issue. The second question is whether counties have the power to ban fractional owner...real estate ownership or time share plans, given the State regulation of the same under HRS

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Chapter 514E. Again, the County is already regulating time share ownership and time share use plans. HRS 514E does talk about the use being...the...the...the ownership plan being 60 days or less. Similarly, it also defines transient vacation rental as rents in a multi-unit building for, I think it's 30 days or less. The County is more restrictive on their transient vacation rental definition, and I think can similarly be more restrictive on their time share ownership plan or time share use plan definition as well, just like it is with transient vacation rentals. And then the third question was whether counties can ban the expansion of fractional real estate ownership in the County through its zoning power. Again, the County is just...just defining what a time share use and ownership plan is in existing code, which has been in there, I think, since 1981. And so, it's...it's making clear that this use includes ownership for less than 180 days, rather than just an ownership interest for less than 60 days. So, it...it is...it is broadening the definition of would include...is included in the time share plan. But I believe the County can do that, similar to how it has done with transient vacation rentals over time, and has an interest in doing that. And so, the...the County is already regulating time share plans through its zoning power, and has been since the 1980s, so, I don't think . . . *(timer sounds)*. . . that's a new thing that it's doing. So, yes, I believe the County has the power to do that, and that's why the legislation was...was approved.

CHAIR PALTIN: And so, I just was...wanted to clarify, when you said that the time shares in the Hotel District, can we just limit fractional ownership to...can we limit fractional ownership to the hotel zoning?

MR. HOPPER: Well, if...if they meet the definition of a time share plan, ownership or use plan, then yes, that's the intent of the legislation. So, the issue...the key issue is whether, under the new definition, do you...are you considered a time share plan. And basically, I think you used the term fractional ownership, but I think that...in looking at it, I think the issue was, is this...is this really a time share plan that you're operating? And some of the issues were, is this less than 60 days and, you know, sort of clarifying the existing definition. My understanding was this wasn't intended to target any particular uses. This was intended to broaden the definition in order to essentially sort of make it consistent with the transient vacation rental 180-day definition to be consistent there...because that was a little odd to have that...that difference. Yeah, and also, to clarify, you know, in the definition of transient and certain other issues, that could...that...that benefited from additional clarity because, I mean, it...it's...it's...you know, I think it's...it's an area where those definitions and, you know, using precise language is very important. And so, I think that's why those...those changes were...were made, you know, and...and, you know, so, that's...that...that's the background as I understand it. I wasn't the sole person who worked on the bill, there were other deputies that worked on it, but I did discuss with them and speak with them on those issues.

CHAIR PALTIN: Okay. Thank you. Seeing that the time is 10:42, and you guys have put in a lot of work, how do Members feel about a ten-minute break? Okay. All right. And then based on the answers to the transmittals, you guys can come back and have questions. Member Sugimura, you'll be at the end of the line, if that's all right because we jumped the gun a little. But I'll go by raise of hands when we come back at 10:55? Okay, 10:55. This Committee's in recess until 10:55. . . *(gavel)*. . .

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**RECESS: 10:43 a.m.**

**RECONVENE: 10:58 a.m.**

CHAIR PALTIN: . . .*(gavel)*. . . The time is 10:58, and will the Planning and Sustainable Land Use Committee return to order. We were on, Members, if they have any questions at this point, and we're going to go by raise of hand, and Staff was going to set the timer at three minutes. Member Lee. We can't hear you.

COUNCILMEMBER LEE: Question for Planning Department.

CHAIR PALTIN: Okay, question for Planning Department.

COUNCILMEMBER LEE: So, either Michele or Jacky.

CHAIR PALTIN: Okay.

COUNCILMEMBER LEE: Or Jacky --

CHAIR PALTIN: *(Audio interference)*

COUNCILMEMBER LEE: Either...either one. How many time share units do we have, and how do you plan to enforce any infractions or violations?

CHAIR PALTIN: Michele or Jacky?

MS. MCLEAN: I know Jacky would have the number of time share units. She would have that count. In terms of enforcement, we would enforce the same way that we enforce against other illegal vacation rentals, relying on advertising and complaints. And with the agreements we have with Airbnb and Expedia, we let them know properties that cannot do vacation rental. And so, they would be...they wouldn't be able to use those platforms to advertise. The schemes that we're talking about though typically don't use those hosting platforms, it's more through marketing and so forth. So, we would have to seek those out, and be able to enforce them under the same advertising provision that we do.

COUNCILMEMBER LEE: Yeah, I can see where it's going to be a lot harder to enforce --

MS. MCLEAN: It will be harder.

COUNCILMEMBER LEE: -- than the short-term rental.

MS. MCLEAN: We will be relying, like I said, on the marketing information. But I can tell you, people are really concerned about this. So, any time you're able to provide us with a link to a website or any marketing materials, we'd be able *(audio interference)*.

COUNCILMEMBER LEE: Okay. So, Jacky, did you find--thank you, Michele--did you find the

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number?

MS. TAKAKURA: Chair...Chair Lee, I just need a few minutes to research that about the time shares. So, I'll get that for you in just a moment.

COUNCILMEMBER LEE: Okay. I'll yield to the next person.

CHAIR PALTIN: Okay. I did want to follow up on your question to Miss...Director McLean. Without registration, how would folks know to complain, and what would the complaint entail? Like, would they just say different people are coming into this room next to me, or...or what...what would their complaint look like?

MS. MCLEAN: We would need as much evidence as they'd be able to provide. And...and advertising and marketing have proven to be the most effective, when the Code says that that's something that we can use.

CHAIR PALTIN: Okay. So, you would be following, like, the various platforms that encourage or allow for fractional ownership, and make a note of those property TMKs that they're advertising for fractional sale, probably?

MS. MCLEAN: Exactly. And we would also...if the bill were to pass, we would also be proactive and contact Pacaso and any other organizations that we're aware of, to let them know --

CHAIR PALTIN: Like *(audio interference)* --

MS. MCLEAN: -- hey, heads up. Before you do this, it's not lawful here.

CHAIR PALTIN: Okay. All right. We'll come back to Ms. Takakura when she has Member Lee's answer. I did see Member King's hand up.

VICE-CHAIR KING: Thank you, Chair. So, the...and actually I wanted to ask Director McLean, there was a concern by a testifier that some of the exemptions, you know, about how to...how to differentiate the exemptions by the advertising. But I'm looking at this list of exemptions, you know, patients, healthcare providers, military. Do those...do those things usually happen outside of like Airbnb ads or...and then how would you address that concern? Because I...that...to me, that's usually somebody that's providing housing, and is going to reach out to maybe the medical center and say, hey, we have housing. They wouldn't...I wouldn't think that they would put it on, you know, a national Airbnb ad, but, you know...

MS. MCLEAN: You know, you're absolutely right. These scenarios have come up a couple of different ways. Either we've gotten a complaint that we've investigated, and realized, so these aren't...you know, this isn't a vacation rental, it's housing temporary workers or student nurses, what...whatever. Or we've gotten inquiries from property owners saying, hey, I want to do this rental, am I allowed to do it? And right now, we're saying, actually, no, you can't. So, I don't...I...I know of one or two occasions where we have gotten into the enforcement process a little bit, but usually it's been very early on, where

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the use never even started, because we were able to tell them, you're not to do it.

VICE-CHAIR KING: So, if somebody calls --

MS. MCLEAN: Somebody was asking, we won't allow it.

VICE-CHAIR KING: Okay, so if someone called you up and said, hey, I want to...you know, I have a room for rent, or an 'ohana, and I want to rent it out for, you know, less than the 180 days to some...a healthcare worker, or teachers, or something, that would...that would be okay under this...these changes?

MS. MCLEAN: It would. We would provide them with the exact language, and tell them to keep as much documentation as they can --

VICE-CHAIR KING: Right.

MS. MCLEAN: -- in the event there's a complaint or something, and we followed up. We would want to see, oh, yeah, I have a contract with the hospital or, you know, here's my employment contract that includes my room and board, you know.

VICE-CHAIR KING: Okay.

MS. MCLEAN: Whatever the arrangement may be.

VICE-CHAIR KING: Okay. So, you would kind of keep...you would kind of keep track of the proof of what they're...that they're doing what they're saying they're doing, at some...some level.

MS. MCLEAN: We would...we would advise them to keep track, so that if there were questions or a complaint, then they would have the evidence.

VICE-CHAIR KING: Okay. Yeah, it's just such an issue with us, with the nurses, and the teachers, and policemen. Okay. Thank you. Thank you, Chair.

CHAIR PALTIN: Okay. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Madam Chair. Question for Director McLean. Under Section 4, 19.04.040 of definition of healthcare facility, goes on to state, means a private or public institution, place, building, or agency, located in the County, used, operated, or designed to provide medical diagnosis, treatment, nursing, rehabilitative or preventative care to any person. Madam Director, do you think this definition, as written for healthcare facility, could possibly open up another Lumeria type of vacation rental situation where there may be overreach with this definition of providing rehabilitative or preventative care? I...I don't know. Maybe I'm...maybe it's because I'm in Pā'ia right now, but it...when I saw this, it just kind of brought back to mind that situation. Are...are you okay with this definition as written, or do you see potentially a loophole, some vacation rental type entity could use this, I don't know, as a...as a front



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or whatever? Because I...I know how difficult it would...that matter was for you as a Department.

MS. MCLEAN: I was okay with this definition until you brought that up.

COUNCILMEMBER MOLINA: Oh, geez, sorry. Oh, boy.

MS. MCLEAN: You know, that's --

COUNCILMEMBER MOLINA: Me and my big mouth.

MS. MCLEAN: You know, that...that's a very good point. We did...I think Jacky mentioned this in her presentation. We did run these terms by Hale Makua and the hospital, to make sure that it covered the scenarios that they would imagine. But we didn't...we didn't think about it. And that's a really important question, a really important consideration. There really isn't any particular thing in the definition that jumps out to me as something that we could tighten up right now. I'd have to give that some thought to see how we can improve on this to...to avoid --

COUNCILMEMBER MOLINA: Oh, okay --

MS. MCLEAN: -- that kind of abuse.

COUNCILMEMBER MOLINA: -- well, I'll leave it to...to your expertise, and Chair Paltin's expertise, and Corp. Counsel to --

MS. MCLEAN: Thank you so much.

COUNCILMEMBER MOLINA: -- assess. Sorry. Thank you.

CHAIR PALTIN: Ms. Takakura looks like she might have a suggestion or something.

MS. TAKAKURA: I have two things. Thank you, Chair Paltin. So, I looked up number of time share units, and 2,481, the number for 20...for this year, 2022...2,481 units. And then in response to Member Molina's question regarding a certain property in Ha'ikū, what we did was we proposed to tighten up the language about the students. So, if you look at Number 3, students is already in there, but it's kind of vague. What we proposed, is full-time students while attending general education classes or programs located in the County. Because we already have a definition for general education, so...and it's not, you know, like yoga classes. General education, under E for education. Education, general. General education means a facility offering a general education curriculum, such as, but not limited to, kindergartens, elementary, intermediate and high schools, and colleges, and universities. So, if...if an entity wants to have students, it's got to be one of these kinds of educational facilities. So, I hope that tightens up, or you know, adds some clarity about, you know, having students and whether or not they're really students, so...

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COUNCILMEMBER MOLINA: I think that may help. Yeah. Okay, thank you, Ms. Takakura. Thanks, Chair.

MS. TAKAKURA: Thank you.

CHAIR PALTIN: Okay. I think I see Member Rawlins-Fernandez, followed by Member Sinenci.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So, my question is regarding enforcement, and so, it's for the Planning Department. What kind of support would you need from Council to ensure enforcement is...is...to ensure that you're resourced enough for proper enforcement?

MS. MCLEAN: I'll respond to that, and if Jacky has anything to add, I would welcome her comments because she has spent more time...more closely with ZAED. At...at the moment, I...I would say we don't need anything, and I'll explain why. We have a couple of vacancies in our enforcement section now. We're going through the process of filling those vacancies. One is an existing vacancy because someone retired and we promoted from within, and we also have an expansion position from this fiscal year that we're filling at the same time. We also do not currently have a contractor to assist with Internet enforcement. We have tried two different contractors, weren't particularly happy with either of them, so we have an RFP out now. It may be closed already, I'm not certain, but in any case, we hope to have that contract in place within the next couple of months. So, right now, we're hurting a little bit for enforcement, but we're very close to having those pukas filled. Once that's all in place, and if this bill passes, and we see what our responsibilities are, then we might be able to...to say that we need more help, or we might be in a position to manage it. So, right now, I can't really say that we need help because we have existing deficiencies that we're...that we're close to resolving.

COUNCILMEMBER RAWLINS-FERNANDEZ: Deputy Director Takakura? Okay. Okay. All right. Awesome. Yeah, because I know we keep talking about Pacaso, because they're the ones that came, but we also have, you know, Arrived, which is Jeff Bezos' platform, or company. There's Fintor, there's Fractional, and, you know, these are all like...well, maybe not all of them, but real estate investment trusts, and then they sell shares of the ownership. So, that...that's how...it's not VRBO and Airbnb. These...these operate a little differently as we've been kind of talking about. I'm happy to hear that we're pretty good for enforcement, and we just need to get this legislation passed, and then we can get it going, and see what else we would need for enforcement, if there's anything. Mahalo, Chair.

CHAIR PALTIN: Thank you. Member Sinenci.

COUNCILMEMBER SINENCI: Mahalo, Chair. Just a follow-up question from Member Molina's line of questioning for Ms. Takakura. When discussing the educational institutions, do they require some kind of an accredited...accredited educational institution?

MS. TAKAKURA: Thank you, Member Sinenci. We're not requiring any accreditation, but they

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would have to fit these categories of, you know, being somewhere between kindergarten, elementary, intermediate, high school, and college and university. So, no, we don't have an accreditation requirement on that.

COUNCILMEMBER SINENCI: Okay. Thank you for that. Thank you, Chair.

CHAIR PALTIN: Any further...oh, I see...oh, Member Kama, go ahead.

COUNCILMEMBER KAMA: Thank you, Chair. So, I'm not sure who this question is for, but, you know, sometimes, you know, people from the neighbor islands come here for medical services, and sometimes they got to stay for maybe a couple of days, maybe it's...but it's a very short term. And if they have family, I think that's great, they're probably going to stay there. But if they don't, like if they come for cancer treatments, you know, at the center here, or any other kind of treatment, where would...where would they fall under this particular legislation?

CHAIR PALTIN: Ms. Takakura, or Director?

MS. TAKAKURA: Chair Paltin, I can try to answer that. So, we have an existing exemption for the definition of transient, and that's patients or clients in healthcare facilities. So, I would imagine --

COUNCILMEMBER KAMA: Okay.

MS. TAKAKURA: -- someone in that situation would already be, you know, excluded from the definition of transient. So, they would be okay.

COUNCILMEMBER KAMA: So...so, they would have to be staying in a facility, not necessarily on the outside. Like sometimes, when we go to O'ahu, and we have to have procedures done, we don't necessarily stay at Queens or, you know, in the housing that's set up there, we have to look for housing someplace else. So, does that...is that also covered in this legislation?

MS. TAKAKURA: Oh, I...I got to research that one a little bit. I'm not sure.

COUNCILMEMBER KAMA: Okay.

MS. TAKAKURA: Because we have patients, and then we have providers...you know, the employees.

COUNCILMEMBER KAMA: Right. Right.

MS. TAKAKURA: I guess it would depend on...I mean, I'm thinking of how would they be advertising? Would they be on, you know, VRBO or Expedia?

COUNCILMEMBER KAMA: Yeah.

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MS. TAKAKURA: Not sure.

COUNCILMEMBER KAMA: Me too. That's just my question, Chair.

CHAIR PALTIN: Okay. Doubt they have an answer.

COUNCILMEMBER KAMA: Well, you know, whenever they...they can. I would just want to know that because I know that we have people from the Big Island who come here for treatment, and we have people from Moloka'i that come here for treatment. And if they have family, that's great, but sometimes they don't. Or maybe the family doesn't have any place for them to stay, and so, they might have to stay someplace. Not necessarily in a hospital or in a facility, but you going to have to rent something...something...something someplace.

CHAIR PALTIN: Okay. All right. I did have a question. In Section 2, the definition, if it means ownership or use for less than 180 days in a calendar year, does it limit the number of owners that a unit can have, or could they have infinite number of owners? That would be for the Planning Department, I guess, if their ownership is less than 180 days.

MS. TAKAKURA: Chair Paltin, are you referring to the definition of time share plan?

CHAIR PALTIN: Yeah.

MS. TAKAKURA: So, I guess our main concern is about the length of stay. We don't have any limitation on number of owners.

CHAIR PALTIN: Oh, okay. And then would this legislation have impact or a consequence to the traditional definition of time shares in, like, the time shares in the Hotel District?

MS. TAKAKURA: I'm going to look up that chapter, so...but I just need a minute for that one. I guess if you want to go into something else while I look...check that one, but --

CHAIR PALTIN: Okay.

MS. TAKAKURA: -- we are...we are not proposing any changes to 19.37.

CHAIR PALTIN: Oh, okay.

MS. TAKAKURA: Except whatever's in the...the...the permanent caps bill, but...yeah.

CHAIR PALTIN: Okay. In the meantime, I...I might go over the suggestion that Director McLean had in relationship to Member Molina's question, which I do like, and it looks like Member Rawlins-Fernandez and Molina wrote that they like in chat. So, the suggested revision to the definition of healthcare facility could be used, operated, or designed solely to provide medical diagnosis, treatment, nursing, rehabilitative or preventative care to any person by a healthcare provider. So, that's her...suggestion to prevent an unintended situation that we might have seen in the past. And then we also have

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Ms. Takakura's suggestion...proposed addition to 19.37(D) for Maui County Code, Chapter 19.37, relating to time share plans. County Council may want to consider including advertising and marketing as evidence of operation, similar to the language in Chapters 19.64 bed and breakfast homes, and 19.65 short-term rental homes. So, it could be added as 19.37(D), advertising or marketing that offers a property at a...as a time share unit constitutes prima facie evidence of the operation of a time share unit on the property, and the owner, operator, or lessee of record bears the burden of proof to establish that the subject property is being used as a legal time share unit, or is not in operation as a time share unit. And just checking in with Corporation Counsel, that is something that wouldn't change or alter the bill as adding that, post-Planning Commission review, right?

MR. HOPPER: I...I don't think so. The first one is clarifying a definition. I think the second one is an enforcement mechanism that...you know, that...that's along with the same content that is something...something the Planning Commission could have reviewed, and is definitely germane to your proposal because it deals with time share plans and...time share plans, ownership, and use plans. So, I...I think it's consistent with the purpose of the legislation.

CHAIR PALTIN: Okay. So, those two amendments sound pretty helpful, and they won't be stopped going forward, that they weren't added by the Planning Commission. Do Members have any further questions or discussion? Shall I entertain a motion? Member King.

VICE-CHAIR KING: I was just going to say that, Chair, that if you want to entertain a motion, we can get this on the floor so can deliberate on the amendments.

CHAIR PALTIN: Okay. Let's see. The Chair will entertain a motion to recommend passage on first reading of Bill 131 (2022), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTERS 19.04, 19.08, AND POSSIBLY 19.37 LATER, MAUI COUNTY CODE, RELATING TO RESIDENTIAL DISTRICTS, INCORPORATING NONSUBSTANTIVE REVISIONS FOR CONSISTENCY WITH THE MAUI COUNTY LEGISLATIVE DRAFTING GUIDE."

VICE-CHAIR KING: So moved.

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

CHAIR PALTIN: Moved by Member King, seconded by Member Rawlins-Fernandez. Discussion, Member King.

VICE-CHAIR KING: Well, you know, I mean, I think we've seen that everybody's pretty much in favor of the legislation and the intent. So, it's just a matter of tightening up the language where some of the concerns came in. Corp. Counsel has already signed off on it, and said we have the ability to do this, so I don't...I don't see...I don't personally have any issues with the legality of this, but I do have...I would like to make an amendment, Chair, if I may, because I...I may have to leave soon. You know, I think I can stay until

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11:45. But did you...is that...is that okay to do now?

CHAIR PALTIN: Sure.

VICE-CHAIR KING: Okay, it's a pretty simple one. It was talked about earlier. I move to amend Section 3, Number 7, just by inserting the words scientific research after the word charitable comma. So, that would read, lodging provided by nonprofit organizations or associations for religious, charitable...for religious, charitable, scientific research, or educational purposes, provided that no rental income is produced.

CHAIR PALTIN: Is there a second? Seconded by Member Lee. Discussion?

VICE-CHAIR KING: Okay. I'll speak to the motion. You know, this...this is something that's not too different from bringing over healthcare workers, whether they're coming from the mainland, or coming from a neighbor island. And a lot of...and obviously, if we had people at high level, we would use...locally, we would use them, but a lot of times, we need the expertise of people who are coming from out of state. This is a great educational opportunity, while they're doing the research, and a lot of this is also recovery because they're...what they're...what they're planning to address is the healing of some of our marine life, like the turtles, and possibly even some of the whales, and other sea creatures, and...and restoring our coral reef. So, the coral lab, I think, is going to be really important. But this is a...it's an opportunity for local people to get involved with understanding how this works, to develop this as another economic opportunity to diversify our economy. So, I think this is a wonderful opportunity, and I just want to make sure that...I think it's a great thing that they decided to put a dormitory, so we don't have visiting scientists competing with other people, looking for places to stay. So, I...I commend them for doing that. Thank you.

CHAIR PALTIN: Member Lee, as the seconder, do you have anything to add to the discussion?

COUNCILMEMBER LEE: Nothing further, nothing further.

CHAIR PALTIN: Okay. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I speak against the motion. I think it's too broad, and I think for those that did testify, they did say that they were a nonprofit, or would...you know, could possibly qualify under educational purposes. I...I...the history here with science...scientific...the scientific community that often can come in, so there's...there are some that come in and are not exploitive, and want to contribute to the community. And then there are some in the scientific community that...that come in from somewhere else purely for, you know, their own purposes, and not to contribute to the community. And I think when you were talking to Mr. Vuori earlier, Chair, a lot of the points that you raised were also concerns that I share. And so, I think if the...these scientific purposes fall under nonprofit or educational purposes, then I...I think they're fine. And those that did testify said that it would. So, I think, you know, those that testified are...are okay, and I don't want to broaden it too much, to the point that it's hurtful to our community. Mahalo, Chair.

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CHAIR PALTIN: Any further discussion? Second and final, Member King.

VICE-CHAIR KING: Second and final, Chair. You know, I...I don't think that's too broad...any more broad than saying religious, or charitable because, of course, some people have opinions about different religions and different charities, and whether they're good for the community or not. So, you know, trying to make that judgment call as a legislative body I don't think is a wise thing to do. So, you know, the...the...the scientific research, whether we agree with it or not, I think is a...is a reasonable addition. Religion, whether we agree with it or not, charitable nonprofits, whether we agree with them or not, are going to be in here too, and we can't make those judgment calls on every group that's allowed under this exemption. So, you know, I just...I don't see any harm in it. I'm...I'm sure, under this purpose for it, with the testifiers who came today, that they would only be hiring and bringing in high level scientists that were going to help our marine environment, and not hurt it. But I think it would be...it's a little bit of a stretch to say just educational because when you're doing research and recovery, recovery of injured mammals, or...or reptiles from the ocean, recovery of the coral reef, and...and trying to propagate our natural coral reef back to the way it was, that goes a little bit beyond education, it's really part of the scientific research. So, I would just urge Members to make this addition. Thank you.

CHAIR PALTIN: Any further discussion from the Members? I did have a discussion, if no one else did.

COUNCILMEMBER KAMA: Chair?

CHAIR PALTIN: So...oh, Member Kama, go ahead.

COUNCILMEMBER KAMA: So...you know, so, when I look at research, doesn't necessarily I look at it as maybe a particular field of research. I think research is just research. It's looking for information, seeking more information. So...and maybe the word that's really missing here is research, not necessarily scientific research, but maybe just the word research. Because we do want education, I think we're all for that. I think we all...we all are researchers. We research a lot of stuff in our own private lives and in our own...as Councilmembers. But I think sometimes maybe it's the...the scientific part that maybe troubles us. But I think the research part is a lot more amenable to what we wanted to do. That's my comment, Chair. Thank you.

CHAIR PALTIN: Thank you, Member Kama. Second and final, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, second and final. I think, you know, one of our testifiers brought up an excellent point, in that scientific research includes the work that Monsanto does, and, you know, those kinds of research and scientific purposes that hurt our community. So, if it's a nonprofit, then, you know, those that are doing scientific research and helping to restore coral would fall under that definition, or that criteria, while protecting our environment from that kind of research that may not, you know, protect the community, like pesticide drift that, you know, go...expose

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the community, expose our drinking water, expose our ocean. So, you know, there's...there's lots of things that fall under science. And I'm...I'm...I'm a believer in science, I'm not a science denier, but I recognize that there, in...in the history of Hawai'i, there's a lot of science that has been hurtful to our community. And so for that reason, I...for those that are coming in, and are contributing, and helping our community, they will likely fall under nonprofits, and...and they'll be fine. And then that way, we can try to prevent harm. And if we can figure out a different definition or, you know, a way to protect...put...put in safeguards, then perhaps I...I could support it. But without safeguards, I can't support it. Mahalo, Chair.

CHAIR PALTIN: Thank you. For my first one--I don't know if I'll have a second one--but for my first speak, I...I'm speaking against the motion for kind of a different reason, I think. I...whether it's science, whether it's controversial, or what, I'm...I'm speaking towards if you're coming here because we don't have that type of expertise, you're coming here, and we're giving free board, or whatever the case is for a short period of time because Hawai'i doesn't have specialties or expertise in that area, then to me, it's also your responsibility to educate the people here. I thought that's what it's about, you know, educational purposes. How are we going to get people in Hawai'i with those specialties if people just come here for scientific research, and don't engage and educate our community? To me, that's...that's the give-and-take of the situation. Yeah, you're coming here to do scientific research. Yeah, you're getting free room and board. Yeah, we don't have that expertise here. But while you're here, as a policy decision, I want you to engage with our university, engage with our high schools, engage and...and be reciprocal. Because as a scientific researcher coming from someplace else, there's things that our children, who have grown up here in the culture, can also teach you. And...and to me, that's a lot of what Hawai'i is about is, you know, the...the back and forth of science, the back and forth of education, the relationships, you know, that make Hawai'i such a unique place. I...as a policy, I don't want to encourage scientific research in a vacuum for scientific research's sake. I'm not against scientific research, I'm just saying engage with our students. Because we're bringing you here because we don't have that expertise. So, engage with our students too. It...it might take a little bit more time, but what are you doing, if you're not giving back to our community, and...and engaging with our community and our students in that way? So, that's the policy direction that I'm speaking to. Chair Lee.

COUNCILMEMBER LEE: Thank you. I'm supporting the motion because I believe that...I think we're moving away from the purpose of this bill, which is to define time share plans, and I don't think we're...we should be judging who's coming in to help us. And this coral lab that's being planned now, I think is a fabulous idea. We...that's something I would like to see flourish in Maui County, not only for economic diversification reasons, but it's...it's for our environment. And what...what more could we ask for? So, under the circumstances, until there...until there's a need, I...I...I would like to see the word scientific used. Thank you.

CHAIR PALTIN: Thank you. Member Sugimura, followed by Member Sinenci.

COUNCILMEMBER SUGIMURA: Yeah. So, I support the motion because if you think about



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it, I think we're starting to add our own judgment as to what this means. And just in a pure sense of I'm...I'm up in, you know, Haleakalā where we have the observatories or whatever, and we have scientists coming to help us. And I will tell you that from my experience, the scientists that have come, there has been educational or, you know, interactions, and that makes it more fulfilling. So, I'm...I'm not going to...I'm going to support the motion because I believe that there's merit to...I know that we started focusing only on this one turtle hospital, but there's a greater community out there, you know, the university and other places that may have this need. And yeah, we're getting away from what the intent of this bill is. But if we're going to...we're going to try to define this word, and...and put in these kind of layers, I believe that there's merit with it, and I...I support the motion. So, thank you.

CHAIR PALTIN: Okay, Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair, and mahalo to my fellow Councilmembers for bringing up some great points. I can be supportive. I like that Member King had put in research. I can be supportive if maybe we can focus on marine science research, because it is at the Ocean Center. I don't know if she'd be open to a friendly amendment, but that way, you know, it's...the focus is, I love, as Chair Lee said, the corals...I mean, that's our ko'as. The very first things that are being dead in the kumulipo is...is the coral. So, that focus...so, that's why I want to kind of keep it at marine science research. As a teacher for 20 years, we've always taken kids to the Ocean Center for Marine Science, and to do that, so, you know, it could be a place where, like Member Paltin said, we could have that exchange with these visitor...with these visiting professors, and have this area be that Educational Center for Marine Science and Marine Science (*audio interference*).

VICE-CHAIR KING: I...I'm good with that as a friendly amendment, Chair.

CHAIR PALTIN: Okay, so it would say marine science research. Is everyone in agreement? Member Sugimura is not in agreement. I guess it would have to be a formal amendment to the amendment. Would you like to propose a formal amendment to the amendment, Member Sinenci?

VICE-CHAIR KING: You're muted.

COUNCILMEMBER SINENCI: Yes. So move to add marine science research.

CHAIR PALTIN: Okay. Seconded by Member Johnson, I believe. Okay. You want to discuss to the motion...the amendment, Member Sinenci, or did you get that covered?

COUNCILMEMBER SINENCI: Real quick, I think with all of the efforts that we've been doing about protecting our...this particular site, and looking at the water...the Pohakea Watershed, as well as the dispensers and...and trying to protect our koa and our ko'as, this is just adding to that (*audio interference*) diversification that we also (*audio interference*) provide. Thank you.

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CHAIR PALTIN: Member Johnson, as the seconder, anything to add?

COUNCILMEMBER JOHNSON: Thank you, Chair. Certainly. You know, I support the amended amendment to put in a safeguard. You know, I appreciate that. I think the root of this though is, we all stay on task of what (*audio interference*) is that we are in a housing crisis. And how do we help, you know, with people who are experts in their field find a place...and we can go down all the lists, the nurses, the doctors, the science...everybody. But the thing is, we don't have places for these folks, and they struggle. And I...and when you tell somebody to stay in a hotel, then there goes that...how many nonprofits can stay in a Maui hotel? You know, it's really so hard for them. The money for some...and again, I don't want to get into the weeds of like what type of scientific work, but for marine research, since that's the amendment that we're talking about, it's not a big money industry. So, those folks would kind of need it compared to, say, chemical companies or other things. But you know, those...those industries have well-funded researchers. But I think this is a good safeguard to laser focus on the idea that these...these you know, there's no place for these people to live, so...or stay even. So, thank you, Chair.

CHAIR PALTIN: Okay, Member Sugimura, followed by Member Molina.

COUNCILMEMBER SUGIMURA: Thank you. That's exactly why I'm not going to support it. It's too laser focused, when we have, you know, the greater science out there. And I think we're just trying to help one...one hospital, I think, the turtle hospital, and I...I think there's a greater science out there that, you know, we're...we're closing. So, I'm not going to support the amendment to the amendment, but I do support having science in there. So, thank you.

CHAIR PALTIN: Okay. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Madam Chair. I thank Mr. Sinenci for this amendment. I think it's a healthy compromise, and it should hopefully temper down the debate. But again, I guess the primary focus, or what's dragging this is, of course, the proposed end...turtle hospital, and this sort of connects to this legislation. So, I think having it focused on marine life and...is good because the realities is, a lot of communities are sometimes skeptical about what type of research comes into their community. And I know it's been said that we shouldn't judge, but we are elected officials, we do represent constituents' concerns. So, you know, we're judgmental in a lot of other things too...not just science, but many other things--housing and other types of issues, employment. So, we...we...we have to be judgmental in the seats that we occupy now. So...but I will support this amendment because it does provide a safeguard that at least we know that those who are coming into the community to provide a service, and hopefully can work and educate. And Member Paltin...Chairman Paltin, as you said, education should be a reciprocal thing between those who provide a service. You know, we can learn from them, but they can learn from us as well, with regards to just general knowledge or cultural knowledge. Because now you're in a place that you...your...you may not be from, and you may not have an understanding as to why

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people may have concerns about the type of research or approach you're using. So, anyway. All right. I'll...I'll back off. I'll support the amendment. Thank you.

CHAIR PALTIN: Any further discussion? Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Real quick, mahalo, Member Sinenci, for the proposal. I'm actually supporting it for the reason Member Sugimura is not supporting it...because it does limit it. And as I stated earlier, I thought scientific purposes was too broad, and so, now, it's more focused. And if there is a greater science that this is impacting negatively, then they can, you know, come to us and we can look at it and amend it at that time. Until then, we haven't really heard anything like that. So, Mahalo, Chair. I'll be voting in favor of the motion. Mahalo, Chair.

CHAIR PALTIN: Thank you. Anyone else, discussion? For...for my discussion, I'll vote in favor of it, I guess. I mean, I...I was trying to not...I was trying to be a little bit more like Member Sugimura. I feel...I still feel that, you know, whatever this expertise is that's coming in that we don't have, they have a kuleana to educate and get educated by the...the environment here, the people here. But I can support this amendment. I don't know about...or the amendment to the amendment. I don't know about the main amendment, but I can support the amendment, I guess. So, all those in favor of the amendment to the amendment.

VICE-CHAIR KING: Chair, I think *(audio interference)* us. Oh, I think you need a roll call, because we had one on the fence.

CHAIR PALTIN: Roll call. All...if you're in favor of the amendment to the amendment. Member Sinenci.

COUNCILMEMBER SINENCI: Aye.

CHAIR PALTIN: Member Lee.

COUNCILMEMBER LEE: Aye.

CHAIR PALTIN: Member King.

VICE-CHAIR KING: Aye.

CHAIR PALTIN: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PALTIN: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PALTIN: Member Rawlins-Fernandez.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

CHAIR PALTIN: Member Kama.

COUNCILMEMBER KAMA: No.

CHAIR PALTIN: Myself. Aye. Member Sugimura.

COUNCILMEMBER SUGIMURA: No.

CHAIR PALTIN: Okay, amendment to the amendment passes, seven, two...noes being Member Kama and Member Sugimura.

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

**NOES:       Councilmembers Kama and Sugimura.**

**ABSTAIN:   None.**

**ABSENT:    None.**

**EXC.:       None.**

**MOTION CARRIED.**

**ACTION:     APPROVED AMENDMENT TO THE AMENDMENT.**

CHAIR PALTIN: Back to the main amendment as amended. Does anyone want to do more discussion on that, or are we ready to roll call it? Ready to roll call. Okay. Member Sinenci. The amendment --

COUNCILMEMBER SINENCI: Aye.

CHAIR PALTIN: -- as amended. Aye. Member Lee.

COUNCILMEMBER LEE: You're talking about which amendment?

CHAIR PALTIN: The amendment as amended. So, it would say --

COUNCILMEMBER LEE: Why would we vote on the amendment as amended...because it was amended.

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CHAIR PALTIN: Yeah. So, we're voting on it, as it was amended. Because we never took the vote on the amendment yet. And then we amended it.

COUNCILMEMBER LEE: Okay. So, I...I just thought that the second amendment replaced the first amendment, but you want to --

CHAIR PALTIN: Oh.

COUNCILMEMBER LEE: -- vote again, that's fine. Aye.

CHAIR PALTIN: Okay. Member King.

VICE-CHAIR KING: Thank you, Chair. The second amendment changed the first amendment. So, we're on the first amendment, so I vote aye.

CHAIR PALTIN: As...yeah. Okay. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

CHAIR PALTIN: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PALTIN: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PALTIN: Member Kama.

COUNCILMEMBER KAMA: No.

CHAIR PALTIN: Member Sugimura.

COUNCILMEMBER SUGIMURA: No.

CHAIR PALTIN: Myself is a no. So, the amendment as amended passes...six ayes, three noes, with the noes being Sugimura, Kama, and myself.

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**VOTE:        AYES:    Vice-Chair King, and Councilmembers Johnson, Lee, Molina, Rawlins-Fernandez, and Sinenci.**

**NOES:       Chair Paltin, and Councilmembers Kama and Sugimura.**

**ABSTAIN:   None.**

**ABSENT:    None.**

**EXC.:       None.**

**MOTION CARRIED.**

**ACTION:     APPROVED AMENDMENT, AS AMENDED.**

CHAIR PALTIN: Okay. We have two more amendments, I believe, to the main motion as amended. Oh, shoot. Let's see. Oh, any chance I can repeat the approved amendment? So, the approved amendment would say Section 3, Number 7: Lodging provided by nonprofit corporations or associations for religious, charitable, or...charitable, education, or marine science research purposes; correct, Members? Yeah. All right. And so, the next amendment that I will entertain is a motion to amend the definition of healthcare facility to say: Healthcare facility means a private or public institution, place, building, or agency, located in the County, used, operated, or designed solely to provide medical diagnosis, treatment, nursing, rehabilitative or preventative care, to any person by a healthcare provider.

COUNCILMEMBER RAWLINS-FERNANDEZ: So moved.

COUNCILMEMBER MOLINA: So moved.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, second.

CHAIR PALTIN: Moved by Member Rawlins-Fernandez, second by Member Molina. Any discussion, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. And mahalo, Member Molina, for bringing this up so we can make this amendment and clarify it. Did...did you want to add the 19.37(D) in...in the motion too?

CHAIR PALTIN: Oh, I was going to do that one separately, but --

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, I...I think everyone's all good with it.

CHAIR PALTIN: Okay.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, and --

CHAIR PALTIN: All right, and --

COUNCILMEMBER RAWLINS-FERNANDEZ: -- I would like to include my...the motion to have 19.3(D) [sic], advertising or marketing that offers the property as a time share unit constitutes prima facie evidence of the operation of a time share unit on the property, and the owner, operator, or lessee of the record bears the burden of proof to establish that the subject property is being used as a legal time share unit, or is not in operation as a time share unit.

CHAIR PALTIN: Okay. And just clarifying, that was 19.37(D), and so that's all one amendment. Any discussion, Members? This was kind of discussed in discussion. Okay. Yes, Member Molina.

COUNCILMEMBER MOLINA: Oh, yeah. Can I make comments on the healthcare facility definition, or is this --

CHAIR PALTIN: Yeah, all of it is --

COUNCILMEMBER MOLINA: Oh, okay. Okay. Yeah, I'll just focus on that then. Also, I'm standing in support of the other amendment, but I want to thank Director McLean and Director [sic] Takakura for the language, and my apologies for creating more work and increasing their stress levels. But I think this language is certainly very good, and I think will prevent any loopholes from occurring as it relates to, you know, the subject matter. Thank you.

CHAIR PALTIN: Okay. Any further discussion? Seeing none. All those in favor of the amendment, the two parts of it, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR PALTIN: Amendment passes unanimously.

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

**NOES:**   **None.**

**ABSTAIN:**   **None.**

**ABSENT:**   **None.**

**EXC.:**    **None.**

**MOTION CARRIED.**

**ACTION:**     **APPROVED AMENDMENT.**

CHAIR PALTIN: Okay. Now we're on the main motion as amended. Any discussion? Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I wanted to thank you, Chair, and Director McLean, and Deputy Director Takakura for all their hard work on this, as well as the community members who provided feedback on the Planning Commission...all the Planning Commissions. In the main motion, do we include any nonsubstantive revisions? And I don't know if we need to file the communication or anything like that?

CHAIR PALTIN: Yeah. We did include nonsubstantive revisions for consistency with the Maui County Legislative Drafting Guide. We did not include the filing of the communication because it was a bill.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for that clarification. Yeah, I...so, I am in full support of the...of this bill, the motion as amended, and we thank you for really getting ahead of this problem before it becomes a much bigger problem. And this is just one of the things that we're...we're working on, and yes, we understand that there is a much larger situation with housing, and how housing is being used for...for profit instead of for shelter, and so, we are tackling each of the problems, and this being one of them that could have become a much larger problem, but we're trying our best to get ahead of it before it...it does. So, thank you again for being proactive. Mahalo, Chair.

CHAIR PALTIN: Thank you. Any further discussion? Seeing none, all those in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR PALTIN: And the bill passes unanimously. Will go on to first and second reading.



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

**NOES:       None.**

**ABSTAIN:    None.**

**ABSENT:     None.**

**EXC.:        None.**

**MOTION CARRIED.**

**ACTION:      Recommending FIRST READING of Bill 131, CD1 (2022).**

VICE-CHAIR KING: Chair?

CHAIR PALTIN: Next up, we have --

VICE-CHAIR KING: I...I just have to leave right now, so...

CHAIR PALTIN: Okay.

VICE-CHAIR KING: Thanks, everybody.

**PSLU-66:        SPECIAL MANAGEMENT AREA REVOLVING FUND REPORT**  
(CC 22-245)

CHAIR PALTIN: Next up, we have PSLU-66, Special Management Area Revolving Fund Report. The Committee is in receipt of Communication 22-245 from the Deputy Planning Director, transmitting a summary and detailed report of the Special Management Area Revolving Fund violations and amounts of fine collected from January...July 1st, 2019, to December 31st, 2021. My understanding is, this is our first report that we've got. And so, at this time, is there anyone wishing to testify on this item? Please unmute yourself and request to speak. And I think we had Kai Nishiki was wanting to speak on this item. Let's see if she's still on the call. Oh, yeah, she is. Kai, did you want to testify on this item?

MS. NISHIKI: Aloha, Chair. Yes, if I could offer testimony, that would be wonderful.

CHAIR PALTIN: Thanks for hanging in there with us.

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MS. NISHIKI: Yes, I wasn't sure if there was going to be a presentation or something, but I definitely witnessed *(audio interference)*, and hopefully it's relevant to the presentation. I'm thankful that these fines are being brought to light because you can see that there is literally millions of dollars that could be going to help our shoreline. *(Audio interference)*

CHAIR PALTIN: You're breaking up a little.

MS. NISHIKI: *(Audio interference)*.

CHAIR PALTIN: Maybe if you want to turn off your video, we might be able to hear you better.

MS. NISHIKI: Oh, I turned off my video. Are you able to hear me?

CHAIR PALTIN: Yes.

MS. NISHIKI: Sorry, okay. Okay. Sorry. So, our SMA area is very finite, and our fines need to be large to prevent people from just flagrantly violating and desecrating our shoreline areas, and the very important SMA areas. And these fines go to the SMA fund, and our shorelines are in disarray, and are being assaulted daily by property owners just doing whatever they want. And I really feel like the County needs to actually step up enforcement, and possibly make it so that property owners cannot sell their properties, and make choke money like is happening all over Hawai'i right now...you know, like people who have huge fines are able to sell their properties to other people, make profits, and then just leave the problem for us to clean up. So, there needs to be way heavier enforcement, and maybe even disallowing property owners to sell until fines are taken care of. And also, I would support hey, we should be condemning these properties, and saying, hey, you...you don't want to pay your fines, then we'll take the property, and we can deal with the fines and the violations, and just not let people get away with this like they are. So, mahalo for bringing this...some attention to our important shoreline areas.

CHAIR PALTIN: Thank you. Members, any questions for the testifier? Seeing none. Thank you so much for your testimony. I didn't see anyone else on the testifier log. At this time, I'll be issuing a last call for testimony. Anyone out there wishing to provide testimony anonymously or otherwise, this will be your last opportunity. Last call. Last call. Please unmute and begin your talking. Okay. Seeing none. Members, any objection if I close public testimony, and receive any written testimony that occurred in the last couple minutes into the record?

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

. . .**(END PUBLIC TESTIMONY)**. . .  
[PSLU-66]

CHAIR PALTIN: Okay. I scheduled this item, and I realize the time is, we have about five minutes left, so if Members need to drop off, I understand. But if you can stay, that would be awesome also. My understanding is, this is our first ever report from the

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Planning Department, so, I just thought it would be good to just go over, and if Members had any questions or anything, or also maybe talk about the format, if the format is good. It did say in the transmittal that probably, moving forward, we will get the transmittal on or before March 1st of each year, just that the fund was recently established, and it looks like that there was some confusion between getting these fines to the SMA fund when they previously just went into the General Fund. So, hopefully that's all been straightened out, and moving forward, it will be smooth as butter. Members, did you guys have any questions or comments as to the format that we received the fines in? Member Sinenci.

COUNCILMEMBER SINENCI: Yeah, I was just...has...have all of these fines been collected?

CHAIR PALTIN: Ms. Takakura or Director McLean?

MS. TAKAKURA: Thank you, Chair Paltin. Yes, this is a record of the fines that have been collected since the inception of that...that fund in July 2019.

COUNCILMEMBER SINENCI: And is there --

MS. TAKAKURA: And it was kind of a mammoth task. Because we had KIVA, if you remember, that died, then we had MAPPS, which was brand new baby, and then we have a cashiering system, iNovah. So, we had to really do a lot of fixes to get all three...like you mentioned, General Fund versus SMA Fund. So, I apologize for this taking so long, but it was kind of a mammoth effort. And I got to really say thank you to IT for helping, and for Finance, and Marcy...I mean, yeah, Marcy Sato was a big help too. But yeah, I think we've gotten it squared away. And I do want to make one correction. In the middle of the page, Calendar Year 2020, there was a fine collected in December 17th of \$38,000. See that one? That one is because the property sold. So, if a property sells, the fines don't go away...at least, not our fines. So, we were able to collect that one because the property sold, and the new owner wanted to make everything, you know, right. So, yeah, in...in our case, fines don't go away just when a...if a property sells, so...should make a correction on that one. Maybe for other departments, but I don't know. Thank you.

CHAIR PALTIN: Okay. Does that satisfy your question? Did you...were you wondering if there were fines that were...were levied that weren't collected listed on here?

COUNCILMEMBER SINENCI: Or if there were fines, yeah, that has not been collected.

CHAIR PALTIN: Ms. Takakura, is that included, fines that were --

MS. TAKAKURA: Yeah, Member Sinenci, no. Only...only things that have been recorded in our system as collected are in here. Because you can see by...by...if you look at the dates of some of the...you notice the violation numbers? The second column? You can see that some of them, they take a little bit of time from when the violation was issued until when the payment is made. Like the very first one, you can see...I mean, the second one. Or even the first one, 2018, it took about a year. The second one is from

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2017, so...because, you know, we want the applicant to come into compliance, right, and...and sometimes we have to work with them if there's going to be a settlement. So, some...all of that takes time, so...

CHAIR PALTIN: Oh, okay. So, the second column, the first four digits indicate the year in which the violation was noticed. But the --

MS. TAKAKURA: Correct.

CHAIR PALTIN: -- the numbers after the first four digits is not indicative of the date. Okay. I do see --

MS. TAKAKURA: Correct.

CHAIR PALTIN: -- Ms. Tiare Lawrence did want to testify on this. Members, is there objection to reopening public testimony?

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

CHAIR PALTIN: Okay. Let's reopen public testimony because we did go through that a little bit quickly. Tiare, are you still available to testify? Oh, gone? Oh, she's still here. Let me unmute her. Oh, no, she's not still here. Okay. Sorry. Okay. The testimony is still open, I guess. Any objections to reclosing it?

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

. . .**(END PUBLIC TESTIMONY).** . . .  
[PSLU-66]

CHAIR PALTIN: All right. Any other questions, comments, about format on...that we received it? Everyone is okay and understands? Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Real quick, I just want to thank the Planning Department for their work on this. I know during Budget, we did make comments about the format as it was submitted to us the last time. But I...I understand the...well, I don't know the gravity of the work. It sounds like it was a lot, and, you know, mahalo to the Planning Department and IT for working together to get this format to us. There's a lot of really good information for transparency for the community. I was wondering if perhaps it would be possible to add another column of, like, the initial citation, the...the cost of the...the...the original fine that was assessed?

CHAIR PALTIN: Ms. Takakura, would that be a possibility moving forward?

MS. TAKAKURA: Thank you. Chair Paltin. So, that would be the initial fine and the --

CHAIR PALTIN: Collected amount.

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MS. TAKAKURA: Because you know, we have initial, and we have daily.

CHAIR PALTIN: Oh.

MS. TAKAKURA: What...would you want both of those? I guess I have to look at the *(audio interference)* to see what was --

CHAIR PALTIN: I think...

MS. TAKAKURA: -- charged.

CHAIR PALTIN: Did you mean what was settled for? Like what the total fine was, initial and daily combined, and if they didn't pay the full amount, what the difference between the two is? Whether it's initial and daily, whatever the total amount would be, and if they paid something less than that?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah. Mahalo, Chair, for...for clarifying. So, there's the...the initial fine, and then whatever the daily accumulation was. Because oftentimes, I know that the...there's --

CHAIR PALTIN: I think *(audio interference)* --

COUNCILMEMBER RAWLINS-FERNANDEZ: -- there may be reductions or adjustments that are made. So, yeah, whatever...whatever that...the aggregate of the initial, and all the daily together for that total amount, and then the separate column of what was actually paid off.

CHAIR PALTIN: Or settled for.

MS. TAKAKURA: Yeah, I...I think I...I can do that. Hopefully we don't have hundreds of these, so I...I think I can.

CHAIR PALTIN: Okay.

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

CHAIR PALTIN: Anyone else have any questions, comments, suggestions? Oh, Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. So, Jacky, does the Department also have a list...these are the ones that are settled. Does the Department also have a list of pending that you could share with us also, or do we have to wait before it can become public information?

MS. TAKAKURA: Thank you, Member Sugimura. So, these are ones that have been paid. Not all of them have...have...were settled down. Some of them are...that...that was the amount. I...I think we sent a list previously about the ones that have been outstanding.

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CHAIR PALTIN: Yeah, you sent it only to me, I think, because --

MS. TAKAKURA: Oh.

CHAIR PALTIN: -- only I asked for it. I can get it to you, or how...how would be the best way, if...if Committee Members want it? Can Staff send it to them?

MS. TAKAKURA: Oh, you mean us? Yes, I...I think so. I think the goal with this report was to meet the...the criteria in 19...I mean, Chapter 3.49, which asks for, you know, exactly this, reported violations and amounts of fines collected. But yeah, we can send Councilmember Sugimura that...the other report of things that haven't been collected.

CHAIR PALTIN: Yeah, I did a transmittal asking for it, so they sent it to me. But they have all the information compiled. So, if anybody else wants it, you can ask for it because it's --

COUNCILMEMBER SUGIMURA: Okay.

CHAIR PALTIN: -- already compiled.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR PALTIN: I...I had a...oh, sorry, go ahead, Member Molina.

COUNCILMEMBER MOLINA: You're sure, Madam Chair? Okay. Thank you. I just got a quick question for Director Takakura. You know, I was going to use my friend Councilmember Sugimura in my example, but I'll use myself today. If I was a property owner, I accumulated all these fines, and I come to you and beg you, and say, hey, you know what, I cannot pay this large amount, I can only pay so much. What's your criteria? What would you ask? I mean, what kind of information you would ask of me, like my tax returns, and anything else to prove my...you know, my financial instability or lack thereof?

MS. TAKAKURA: Thank you, Member Molina. So, the inspectors, and the Zoning Division, and Corporation Counsel look at a lot of different factors, including the severity of the violation, the compliance, the damage, the cooperation of the property owner, mediation efforts. So, each one is going to be different, based on the...the situation. Now, we're updating the SMA rules for the Island of Maui, we do have some criteria. I think there's like seven things that we look at when we decide on fines, so, those would be the same things we look at when we're trying to negotiate a settlement.

COUNCILMEMBER MOLINA: Okay.

MS. TAKAKURA: So, it's always going to be on a case-by-case basis, depending on --

COUNCILMEMBER MOLINA: Yeah, I guess a lot has to do with the attitude of the person who's violating too, yeah? So, you'll take that into consideration, so...okay. Some good food

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for thought for those out there who, you know, might be in that kind of predicament, and asking the Department or the County for a special request to lower those fine amounts. So, all right.

MS. TAKAKURA: And then Councilmember...one more thing.

COUNCILMEMBER MOLINA: Thank you very much.

MS. TAKAKURA: Councilmember Molina, is if they're a repeat offender is also something we take into (*audio interference*)

COUNCILMEMBER MOLINA: Yeah, good. Good point.

MS. TAKAKURA: Thank you.

COUNCILMEMBER MOLINA: Thank you. Thank you, Chair.

CHAIR PALTIN: Sure thing. I did have an inquiry that came to me from the public, and they wanted to know if this information is posted on your website? I guess they had received a grant from the SMA Fund, and they wanted to know how much money was in the SMA Fund so they could request, I guess, more grant money from the SMA fund. So, they wanted to know, like, how the average person from the public would know what the SMA Fund balance is, without following, I guess, the agendas to find the report. Is it posted, or they could call you, or how would that work out?

MS. TAKAKURA: So, that's a good question, Chair Paltin. Because actually we don't manage the fund, that's all Department of Finance. And then, as you know, there's all kinds of different funds. And, you know, I got to say that this is only violations and fines. SMA permit application fees also go into this fund, so, what you're seeing here is only partial because it doesn't include permit application fees...so that there's going to be more money than what you see here on this because, like I said, this is only fines, yeah, this is not permit fees. So, I mean, yeah, we can always look it up for someone who is asking, because yeah, we do have Staff who have access to the...the...what used to be called IFAS, I think it's called FE...FE now. But I'm not sure if the Department of Finance has some other way that they post the balances in the funds.

CHAIR PALTIN: Okay.

MS. TAKAKURA: But yeah, if somebody were to ask, we can look it up.

CHAIR PALTIN: Okay. Okay. Just direct them to you, or we would get the information of the fund balance during the budget process as well, probably, so they can ask you directly, or they can wait until the budget process, and go through those thousands of pages with us. Okay, Members, has all your curiosity been satisfied in terms of our first ever SMA Fund Report? Okay, oh, that's great. If there is no...oh, I can't file the report. Okay, if there is no further questions or objections, the Chair will defer this item.

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**COUNCILMEMBERS VOICED NO OBJECTIONS.** (Exc. GJ, TK, KTK, and ALL)

**ACTION: DEFER PENDING FURTHER DISCUSSION.**

CHAIR PALTIN: And this concludes today's Planning and Sustainable Land Use Committee meeting. Thanks for sticking around so we could finish the entire agenda. We did a lot of great legislation today, folks. We'll see you at first reading. This concludes the...thank you. The time is now 12:08, and this meeting is adjourned. . . .*(gavel)*. . .

**ADJOURN:** 12:08 p.m.

APPROVED:



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TAMARA PALTIN, Chair  
Planning and Sustainable Land Use Committee

pslu:min:221103:kr

Transcribed by: Kaliko Reed



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CERTIFICATION

I, Kaliko Reed, hereby certify that pages 1 through 57 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 7th day of December 2022, in Wailuku, Hawai'i



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Kaliko Reed