

DISCLOSURE STATEMENT ON SHORT-TERM RENTALS IN THE APARTMENT DISTRICT IN MAUI COUNTY

The Realtors Association of Maui offers the following brief review of the legality of operating short-term rentals in Maui County's Apartment-zoned districts.

HISTORY: Prior to 1991, short-term rentals were permitted on apartment-zoned properties in Maui County. In 1991 the Maui County Council amended the zoning code, disallowing short-term rentals (rentals for less than 180 days) in apartment-zoned areas. That decision was made in spite the fact that there were about 8,000 then-existing, apartment-zoned units that were specifically built for short-term, resort rental use that were adversely affected by that decision. In 2001, the County Corporation Counsel issued an opinion (named for its author, then-Deputy Corporation Counsel Richard Minatoya) that essentially declared that short-term rentals were allowed in properties:

- (1) That were zoned "apartment" and had their building permits, special management area permits, or planned development approval lawfully issued and valid on or before April 20, 1989
- (2) Or individual apartment units that were operating as transient vacation rentals on or before March 4, 1991.

This "Minatoya Opinion" recognized the short-term uses that pre-existed the 1991 zoning code amendment and permitted them to continue. This type of allowance of a pre-existing condition is often referred to as "grandfathering."

PRESENT STATUS: Maui County now recognizes 83 Apartment-zoned properties where short-term use is permitted under the guidance of the Minatoya Opinion. Since its issuance 12 years ago, the Opinion has withstood the test of time without significant challenge and is now generally accepted as the guide for short-term rental use in Apartment Districts. These properties' positive impact on both Maui's overall economy and the County's tax income is well recognized and the ability to continue providing short-term rentals is taken for granted by most.

WHY THIS NOTICE? This notice is offered to provide full disclosure to potential buyers. While the Minatoya Opinion essentially functions as zoning, and while there is no indication that the status of properties covered by that Opinion will change, there remains the fact that a Corporation Counsel opinion is not law. It is an interpretation of the law, and as such the Minatoya Opinion could conceivably be overturned by subsequent legal opinions, court cases, or political actions. While the chance of that happening appears remote, this statement is offered to disclose that possibility and to make very clear that you should review this legal issue with your legal advisor or other consultants.

WILL THIS ALWAYS BE THE CASE? The Realtors Association of Maui is currently working with the County Administration and County Council to "codify" the Minatoya Opinion. That is, make its provisions a part of the Maui County's actual zoning code. While there is never a guarantee that such a political/legal undertaking will be successful, our association is proceeding in this endeavor with confidence.

Apartment District Properties Allowed to be Used for Short-Term Occupancy

PROJECT PROPERTY	MASTER TMK	ADDRESS	YR BLT	COUNTY ZONING	COMMUNITY PLAN DESIGNATION	NUMBER OF UNITS
						19
HANA KAI-MAUI	140050400000	4865 Uakea Rd	1974	A1	MF	92
WAILEA EKAHI II	210080600000	3300 Wailea Alanui Dr	1976	A1	MF/PUD	100
WAILEA EKAHI I	210080640000	3300 Wailea Alanui Dr	1976	A1/BR/OS/PUD	MF/OS	104
WAILEA EKAHI III	210080650000	3300 Wailea Alanui Dr	1976	A1/H1/OS/PUD	MF/OS	148
WAILEA EKOLU	210080770000	10 Wailea Ekolu PI	1979	A1/OS-GC/PUD	MF	150
PALMS AT WAILEA I	210080820000	3200 Wailea Alanui Dr	1990	A1	MF/OS/PD	188
GRND CHAMP VILLAS	210081040000	155 Wailea Ike PI	1989	A2	MF/OS/PD	30
KUAU PLAZA	260120500000	777 Hana Hwy	1973	A2	MF	24
MAKANI A KAI	380140010000	300 Hauoli St	1974	A1	MF	46
HONO KAI	380140020000	280 Hauoli St	1972	A2/A1	MF	80
KANAI A NALU	380140040000	250 Hauoli St	1977	A2	MF	78
MAALAEA BANYANS	380140110000	190 Hauoli St	1987	A2	MF	83
ISLAND SANDS	380140150000	150 Hauoli St	1975	A2	MF	47
LAULOA MAALAEA	380140160000	100 Hauoli St	1979	A2	MF	79
MAALAEA KAI	380140210000	70 Hauoli St	1974	A2	MF	42
MILOWAI-MAALAEA	380140220000	50 Hauoli St	1977	A2/M1	LI	225
MAUI SUNSET	390010020000	1032 S Kihei Rd	1974	A2	MF	58
MAUI SCHOONER	390010040000	980 S Kihei Rd	1980	A2	MF	113
LUANA KAI	390010060000	940 S Kihei Rd	1979	A2	MF	42
WAIPUILANI	390010570000	1002 S Kihei Rd	1975	A2	MF	169
KAUHALE MAKAI	390010750000	938 S Kihei Rd	1976	A2	MF	118
KIHEI BAY SURF	390011070000	715 S Kihei Rd	1980	A1	MF	24
LEINAALA	390011100000	998 S Kihei Rd	1975	A2	MF	54
KOA RESORT II	390011340000	811 S Kihei Rd	1980	A1	MF	64
KIHEI RESORT	390011360000	777 S Kihei Rd	1981	A1	MF	60
KIHEI BAY VISTA	390011430000	679 S Kihei Rd	1989	A1	MF	440
KAMAOLE SANDS	390040040000	2695 S Kihei Rd	1983	A2	MF	140
MAUI HILL	390040810000	2881 S Kihei Rd	1981	A1	MF	240
MAUI KAMAOLE III	390040820000	2777 S Kihei Rd	1994	A1	MF	188
HALE KAMAOLE	390040840000	2737 S Kihei Rd	1974	A1/A2	MF	76
HALEAKALA SHORES	390040970000	2619 S Kihei Rd	1974	A2	MF	64
MAUI PARKSHORE	390040980000	2653 S Kihei Rd	1974	A2	MF	18
KEAWAKAPU	390041390000	2895 S Kihei Rd	1976	A1	MF	28
MAUI KAMAOLE	390041430000	2777 S Kihei Rd	1988	A1	MF	48
MAUI KAMAOLE II	390041440000	2777 S Kihei Rd	1989	A1	MF	1
MY WAI BEACH COTTAGE	390050120000	2128 Iliili Rd	1970	A1	MF	6
WAILEA INN	390050130000	2141 Iliili Rd	1985	A1	MF	8
LIHIKAI APTS	390050170000	2173 Iliili Rd	1963	A1	MF	

This list does not grant any entitlement that is not allowed by zoning or any other provisions of the Maui County Code. This list is subject to 4/27/2022 error; to determine if short-term occupancy is allowed on any property, confirmation should be obtained from the Department of Planning.

Apartment District Properties Allowed to be Used for Short-Term Occupancy

PROJECT PROPERTY	MASTER TMK	ADDRESS	YR BLT	COUNTY ZONING	COMMUNITY PLAN DESIGNATION	NUMBER OF UNITS
KIHEI COVE	390050180000	2181 Iliili Rd	1980	A1	MF	6
HALE MAHALANI	390050210000	7 Kaiu Pl	1976	A1	MF	7
INDO LOTUS BEACH HSE	390050220000	2216 S Kihei Rd	1970	A1	MF	1
KAMAOLE ONE	390050230000	2230 S Kihei Rd	1973	A1	MF	12
HALE ILIILI	390050350000	2172 Iliili Rd	1978	A1	MF	4
PUNAHOA BEACH APTS	390050380000	2142 Iliili Rd	1970	A1	MF	15
2131 ILIILI RD	390050390000	2131 Iliili Rd	1946	A-1	MF	1
1194 ULUNI RD	390070010000	1194 Uluniu Rd	1964, 1979	A-1	MF	2
1178 ULUNI RD	390070020000	1178 Uluniu Rd	1935	A-1	MF	1
MOANA VILLA	390070250000	1158 Uluniu Rd	1973	A1	MF	1
HALE KAI O'KIHEI	390080030000	1310 Uluniu Rd	1969	A1	MF	59
LEILANI KAI	390080090000	1226 Uluniu Rd	1974	A1	MF	9
KIHEI GARDEN ESTATES	390080110000	1299 Uluniu Rd	1979	A1	MF	84
ALOHA VILLAS	390080310000	1338 Uluniu Rd	1980	A-1	MF	4
1444 HALAMA ST	390090020000	1444 Halama St	1968	A-1	MF	4
1440 HALAMA ST	390090030000	1440 Halama St	1946	A-1	MF	1
KAPU TOWNHOUSE	390090050000	69 Kapu Pl	1980	A1	SF	2
WAIHOLI BCH DUPLEX	390090100000	64 W Lipoa St	1977	A1	MF	2
1470 HALAMA ST	390090250000	1470 Halama St	1960	A-1	MF	1
WAIHOLI BEACH HALE	390090290000	49 W Lipoa St	1979	A1/PU	MF	52
KALAMA TERRACE	390160270000	35 Walaka St	1972	A2	MF	61
SHORES OF MAUI	390170030000	2075 S Kihei Rd	1975	A1	MF	50
KIHEI PARKSHORE	390170100000	2037 S Kihei Rd	1974	A1	MF	16
KANOE APTS	390170170000	2050 Kanoa St	1982	A-1	MF	18
PACIFIC SHORES	390180020000	2219 S Kihei Rd	1979	A2	MF	136
MAUI VISTA	390180030000	2191 S Kihei Rd	1980	A2	MF	280
KAPALUA BAY VILLAS	420010240000	500 Bay Dr	1977	A2	MF	141
KAPALUA GOLF VILLAS	420010280000	500 Kapalua Dr	1979	A2/AG/OS/GC	MF	186
THE RIDGE	420010320000	100 Ridge Road	1979	A2/PK-4	MF	161
KAHANA REEF	430050090000	4471 Lower Honoapiilani Rd	1974	A2	MF	88
KAHANA OUTRIGGER	430050200000	4521 Lower Honoapiilani Rd	1981	A1	MF	8
KAHANA OUTRIGGER	430050210000	4521 Lower Honoapiilani Rd	1981	A1	MF	4
KAHANA VILLAGE	430050290000	4531 Lower Honoapiilani Rd	1978	A1	MF/OS	42
KAHANA OUTRIGGER	430050310000	4521 Lower Honoapiilani Rd	1981	A1	MF	4
LAHAINA BEACH CLUB	430060060000	3711 Lower Honoapiilani Rd	1971	A2	MF	12
NOHONANI	430060070000	3723 Lower Honoapiilani Rd	1974	A2	MF	28
MAKANI SANDS	430060120000	3765 Lower Honoapiilani Rd	1974	A2	MF	30
KALEIALOHA	430060130000	3785 Lower Honoapiilani Rd	1973	A2	MF	67

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4/27/2022

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PROJECT PROPERTY	MASTER TMK	ADDRESS	YR BLT	COUNTY ZONING	COMMUNITY PLAN DESIGNATION	NUMBER OF UNITS
HONO KOA	430060140000	3801 Lower Honoapiilani Rd	1980	A2	MF	28
LOKELANI	430060160000	3833 Lower Honoapiilani Rd	1971	A2	MF/OS	36
HALE MAHINA BEACH	430060410000	3875 Lower Honoapiilani Rd	1981	A2	MF	53
HALE ONO LOA	430060440000	3823 Lower Honoapiilani Rd	1969	A2	MF	67
PIKAKE	430060630000	3701 Lower Honoapiilani Rd	1966	A2	MF	12
MAHINAHINA BEACH	430080010000	4007 Lower Honoapiilani Rd	1979	A1	MF	32
POLYNESIAN SHORES	430080020000	3975 Lower Honoapiilani Rd	1972	A1	MF	52
KULEANA	430080040000	3959 Lower Honoapiilani Rd	1972	A1	MF	18
KULEANA	430080050000	3959 Lower Honoapiilani Rd	1974	A1	MF/OS	100
HÖYOCHI NIKKO	430080060000	3901 Lower Honoapiilani Rd	1973	A1	MF	17
NOELANI	430090020000	4095 Lower Honoapiilani Rd	1974	A2	MF	50
MAHINA SURF	430090050000	4057 Lower Honoapiilani Rd	1969	A1	MF	44
HONOKOWAI PALMS	440010410000	3666 Lower Honoapiilani Rd	1965	A2	MF	30
HALE KAI I	440010420000	3691 Lower Honoapiilani Rd	1967	A2	MF	40
PAKI MAUI III	440010500000	3615 Lower Honoapiilani Rd	1978	A2	MF/OS	28
PAKI MAUI I & II	440010510000	3601 Lower Honoapiilani Rd	1975	A2	MF/OS	80
MAUI SANDS I	440010520000	3559 Lower Honoapiilani Rd	1966	A2	MF	56
PAPAKEA	440010550000	3543 Lower Honoapiilani Rd	1977	A2/H2	MF/H2/OS2	364
MAUI SANDS II	440010710000	3559 Lower Honoapiilani Rd	1969	A2	MF	20
HALE KAAPALI	440060110000	45 Kai Ala Dr	1967	A2/H/OS	H	258
MAUI ELDORADO	440080210000	2661 Kekaa Dr	1968	A2	H	205
KAANAPALI ROYAL	440080230000	2560 Kekaa Dr	1980	A2	MF/OS ^{space}	105
PUUNOA BEACH ESTATES	450040020000	45 Kai Pali Pl	1984	A1	MF	10
LAHAINA ROADS	450130270000	1403 Front St	1969	A2	MF	41
THE SPINNAKER	460100020000	760 Waivee St	1979	A-1	MF	57
KENANI KAI	510030130000	50 Kepuhi Pl	1983	A-1	MF	120
WAVECREST	560040550000	7142 Kamehameha V Hwy	1975	A2/Interim	MF	126

Δ TO H?
LOAN
IMPACT?

103

Total Apartment District Vacation Rental Units:

7143

Legend:

Zoning

A1 or A2: Apartment
AG: Agriculture
B2: Community Business
BR: Business Resort
H, H1 or H2: Hotel
HD1: Historic District 1
Interim: Interim
M1: Light Industrial

Community Plan

B: Business
H: Hotel
LI: Light Industrial
MF: Multi-Family
OS: Open Space
P/QP: Public/Quasi-Public
PD: Project District
PK: Park

*Why is Eldo & KR
Apartment District
vs ICC, Plantation Ad. of Honoakai?
Whaler not on list? - Timeshare
status?*

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OS: Open Space
 GC: Golf Course
 PK: Park
 PU: Public Use
 PUD: Planned Development
 R2 or R3: Residential

SF: Single-Family

Maui County Code Chapter 19.12.020 Apartment Districts Permitted Uses

Fwd: Short Term Rental Ordinance

Wayne Hedani <wnhedani@gmail.com>

Mon 5/6/2024 11:16 AM

To: Michael Shaff <mike.shaff@outrigger.com>; Karl Reul <kreul@kaanapaligolfcourses.com>; Edwin Torres <Edwin.Torres@outrigger.com>; Fred Findlen <fred.findlen@hyatt.com>; Hal Nordblom <Hal@mkvaoao.com>; Stephen Hinck <stephen.hinck@royallahaina.com>; William Countryman <william.countryman@vacationclub.com>; Casil, Glenn <Glenn.Casil@vacationclub.com>; Mike Sands <msands@mauiel dorado.net>; Tetsuji Yamazaki <tetsuji.yamazaki@sheraton.com>; Fulks, Geoff <gfulks@calwater.com>; Mark Altier, GM <mark.altier@kaanapalialii.com>; Justin Spanko <justin.spanko@kaanapaliroyal.com>; Glenn Gazmen <ggazmen@aol.com>; Loretta Lau <loretta.koa@gmail.com>; Kadowaki, John (Kani) <jkadowaki@calwater.com>; Services Kaanapali Royal <services@kaanapaliroyal.com>; Rodger May <rodger@northwestfishco.com>; Heath Mills <heath.mills@bpretail.com>; Lawrence N. Kauhaahaa <Lawrencekauhaahaa@gmail.com>

Forwarding for your information.

Aloha,
Wayne

----- Forwarded message -----

From: **Wayne** <wnhedani@gmail.com>

Date: Mon, May 6, 2024 at 11:05 AM

Subject: Short Term Rental Ordinance

To: planning@mauicounty.gov <planning@mauicounty.gov>

Aloha Kate Blystone and Members of the Planning Commission:

My name is Wayne Hedani and I am President of Kaanapali Operations Association, Inc. I am also a prior member of the Maui Planning Commission having served 10 years from 2005-2010 and 2012-2017. I have also Chaired the planning commission for several years.

I agree that short term rentals do not belong in residential areas. I have seen the effects of this condition and it is not good for maintaining affordable housing on Maui. I believe that visitors should be concentrated in destination resort areas like Kapalua, Kaanapali, Wailea, Makena.

My concern is that the current ordinance being considered by the Planning Commission may sweep condominium units in these destination resort areas into the ban on short term rentals which I believe was not the intent of the legislation. We need condominiums in resort areas to be able to service visitors who want the facilities of a kitchen, extra bedrooms and other amenities which come with such units to continue to be offered. Banning them in resort areas accomplishes the opposite of what you want.

Please insure that this oversight is corrected in the proposed legislation. Visitors need to be restricted to visitor destination areas. This includes condominiums with short term rentals in those areas. Short term rental homes should be prohibited in residential areas. We agree. Just do not throw the baby out with the bathwater.

Maui depends on visitors for its economic survival. Please insure that we can continue to value and treat our visitors with respect and dignity and provide them with a quality visitor experience in the appropriate areas of our community.

Mahalo and Aloha,

Wayne N. Hedani

President and General Manager

Kaanapali Operations Association, Inc.

100 Nohea Kai Drive,

Kaanapali Maui HI 96761

Ph. 808-281-3686

Sent from [Mail](#) for Windows

News Flash

Press Releases

Posted on: May 2, 2024

Mayor Bissen moves to repeal decades-old TVR rule to expand long-term housing inventory



A landmark new bill that will provide housing by addressing Maui County's long-term inventory crisis, which was magnified by the August 2023 wildfires, was proposed today by Mayor Richard Bissen in a unified move with Lahaina Advisory Team, Lahaina Strong and Maui County Councilmember Keani Rawlins-Fernandez.

Announced today during a Wailuku press conference, the bill would phase out and repeal decades-old transient vacation rentals (TVRs) operating in the Apartment District, also known as the Minatoya list TVRs. These TVRs – numbering 7,000 units (2,200 of which are in West Maui) – would phase out West Maui units by July 1, 2025, and all other units countywide by Jan. 1, 2026, with the bill's approval.

Mayor Bissen, Lahaina Advisory Team's Kaliko Storer, Lahaina Strong leaders Paele Kiakona, Jordan Ruidas and Courtney Lazo, and Maui County Councilmember Keani Rawlins-Fernandez collaborated on the bill that puts residents first and reshapes Maui's TVR landscape. As a result, Lahaina Strong said it will end its occupation at Kā'anapali Beach.

Mayor Bissen has directed the County of Maui Planning director to transmit the new bill to the Planning Commissions seeking to phase out and repeal this controversial use of TVRs, which currently allows condos, apartments and planned developments that are not hotels to operate as short-term rentals without any state or county permit.

Long championed by Rawlins-Fernandez, and pushed by Lahaina Strong during a months-long occupation at Kā'anapali Beach, this milestone agreement was moved by Mayor Bissen and Lahaina Advisory Team's Kaliko Storer.

"My proposed bill will revert all Apartment District properties to their intended long-term residential use by removing the exception provided to those properties built or approved prior to 1989, and fully discontinue Transient Vacation Rental use in Apartment Districts by July 1, 2025, for West Maui TVRs and all others in Maui County by January 1, 2026," Mayor Bissen said. "We may rebuild our beloved Lahaina, but if we don't return Lahaina to the people who represent that unique community – if we

don't recognize the faces of our friends and family as we repopulate Lahaina, we will have lost this fight for our people, and for my administration and I – even one more family lost is one too many.”

Mayor Bissen's Lahaina Advisory Team's Kaliko Storer emphasized that shared priorities continue to be the catalyst for Lahaina's recovery.

“We started with unity, we continue in unity today, and we will end in unity,” she said. “We will all cross the finish line in unity.”

Lahaina Strong said the collaboration highlights its success and will end its occupation at Kā'anapali Beach. The grassroots group has been rallying for “dignified housing” and asking leaders to repeal Minatoya list TVRs; it said members will provide community support at local hearings.

“Now that our movement has secured yesterday's passage of SB 2919 in the Hawai'i State Legislature giving our counties the authority to phase out short-term rentals, the Bissen administration and Councilmember Rawlins-Fernandez are today announcing County-level legislation that would take our demands even further and remove this exemption indefinitely — permanently restoring housing for locals across Maui,” Lahaina Strong spokesperson Paele Kiakona said. “In Lahaina alone, we have over 2,200 units on this list. These mostly off-island owners have benefited immensely from turning our apartment-zoned housing into investments, displacing working-class local families from our communities long before the fire.”

“Today, in unity with the Mayor's administration and advisory committee, we take a huge step forward to restore dignity and hope to our families and bring our community back together,” Kiakona added. “We call on the Maui Planning Commissions and the Maui County Council to immediately support this critical bill.”

Councilmember Rawlins-Fernandez underscored the urgency of this measure.

“We cannot wait as more families uproot and move away,” she said. “We must take immediate action now to correct the injustice of commodifying our apartment units the County has attempted to address since the '80s.”

Last August, Maui County experienced the worst wildfire disaster in modern history that took 101 lives and destroyed thousands of homes, displacing more than 12,000 survivors and exacerbating a pre-existing and complex housing crisis.

Apartment districts are intended to provide higher density, long-term housing to residents, and the bill would revert all Apartment District properties to their intended long-term residential use, according to the proposal.

LAHAINA STRONG

Lahaina Strong began its “Fishing for Housing” campaign on Kā'anapali Beach in November of last year, establishing an occupation in the heart of West Maui tourism to bring awareness to fire survivors' dire need for long-term, dignified housing. As its top priority, members demanded immediate action to get local people housed, and the Minatoya list, a list of short-term rentals exempt from going through the typical permitting process, was the group's initial focus.