

My name is Cyndi Reese and I am an owner of a short term rental on the Minatoya list. I appreciate the work of the Council members and am sure that you have thoroughly examined the analytical work of the UHERO economic study and other reports. My intent is not to bring up verified data, polls and fact-finding that you have already studied, nor is it an attempt to discuss the debate of Bill 9 on social media or opinion letters in the newspapers. It is not to comment on the uncertainty of federal funding and ambitious budgets. You have the responsibility of listening to testimony, including mine. You have the responsibility to make intelligent decisions that will allow Maui to heal, support its residents in an economically responsible manner and to get people to work together instead of being divided.

#### ABOUT ME

I am a retired teacher, someone who knows the trauma of major fire events. I live in a Northern California county where between 2017 and 2020, more than 300,000 acres burned, destroying close to 7,000 structures and killing 24 people. I have seen my home surrounded on 3 sides by fire and know the agony of evacuations. There is no “my fire was worse than your fire” in my world. Any fire is a tragedy. I set up a GoFundMe account to raise \$20K for the employees at my Maui resort who were affected by the Lahaina fire. I am supportive of rebuilding Lahaina as well as creating new low-income housing, especially for teachers. I am not supportive of abolishing Minatoya STRs and its disastrous consequences on Maui economy.

#### DISCONNECT

There is a total disconnect between abolishing STRs and assuming these units will automatically be made into long-term housing for locals or purchased as “affordable” housing. My condo in West Maui, if no longer a legal STR, would be used for friends and family. I’ll pay less in property taxes and no transient taxes will be generated. It is my choice to use up my life savings making sure that my family has access to my condo throughout the year. My two grandsons have learning disabilities and their time in Maui is spent getting away from the stress of academics and allows them to be kids on the beach while getting thoroughly educated on the beauty of ocean life and the perils of losing coral.

#### LOCALS LOSE JOBS

When I bought my Maui condo, I made sure to only work with trusted local companies. I bought from a local realtor, Cimi Morgan of Epic Realty, who had worked in Maui real estate for over ten years. I respect her for being a single mother of two girls and now a devoted grandmother. Cimi also manages my condo running a small West Maui vacation rental business. It doesn’t matter whether you phase out STRs now or in 5 years – she will lose

everything if this happens along with her employees and subcontractors that she depends on. In a recent email, she quotes “My business doesn’t just provide for my family; it also supports my employees and their families.” I bought kitchen appliances from Hamai Appliance instead of a Home Depot. I use only local plumbers, painters, A/C service technicians, electricians and more, all of whom have become friends. I recommend local restaurants and activities in my guest binder and condo website. If I can no longer rent out my condo, my husband and I will be on an extremely tight budget on fixed teacher pensions and forced to work with big box stores and do repairs ourselves. It’s a simple case of trickle-down economics.

## WHAT COULD HAPPEN

Abolishing Minatoya STRs would actually promote more illegal “under the table” STRs who do not pay their fair share of property and transient taxes. The real estate market will not crash enough to make my condo “affordable”, especially with over \$2K/month in HOA fees and looming assessments for HOA insurance and anticipated building repairs to aging buildings. When I run out of money paying over \$4K/month to keep my condo afloat, I will simply sell to the highest bidder -- my guess that it will probably be an investor and not someone local.

## REZONING AND RECOMMENDATIONS

Bill 9 has no fast-track provision for rezoning resorts that “look like a hotel and act like a hotel” and were never built for workforce housing. Rezoning is an expensive process and requires an extensive amount of studies and paperwork which requires years of processing. Why not give the opportunity in Bill 9 to create a rezoning program to maintain steady property tax income, especially since STRs pay more property tax than hotels?

Other suggestions:

- Don’t lose the income stream -- use STR taxed money to continue building new low-income long-term housing.
- Leave the legal/grandfathered income-producing STRs in place but put a moratorium on new STR permits.
- Go after illegal STRs who do not pay into the system.
- Realize that delaying until 2030 won’t do anything but give lawyers time to file lawsuits and will cast further public opinion of how unstable Maui is. This is political posturing.

## STRS HAVE THEIR PLACE

It's been in the news that “selective tourism” is being promoted to get “better and more respectful” tourists. Do Maui residents going to Disneyland get screened for what kind of tourists they will be? That's discrimination. Hotels in Maui have a sophisticated lobbyist system in place and are expensive: a family suite for 4 at the Ritz-Carlton with a King and sofa bed is over \$2K/night and a standard room at the Sheraton Maui with two double beds is \$790/night (neither offer kitchens). That family could stay at any number of STRs for \$400/night with a kitchen. I know the profile of guests visiting my condos. My reviews show that I rent to families who need a kitchen. I have repeat guests every year who love and support Maui and now their parents come over, also. I recently talked with a guest who said her family saved up all year for a STR vacation and appreciated being able to cook in the condo because they couldn't afford going out to restaurants for every meal. I am embarrassed and dismayed to think that Maui would only desire wealthy tourists who can afford expensive hotels. It brings a hypocritical sense to the emphasized culture of 'Ohana', doesn't it? If you make it too hard to visit Maui affordably, people will stop trying.

#### SUMMARY

I encourage you to reject Bill 9. It's not the time to lose \$900M annually, 1900 jobs and \$60M in property tax revenue by 2029. It's time for Maui to rebuild after the Lahaina fire and find ways to create low cost housing without damaging the existing infrastructure. It's time to come together to fix things using logic and solid data. Tourism is not a 4-letter word. In an economy that depends on tourist dollars, don't bite the hand that feeds you.

Thank you for reading my testimony.