

HLU Committee

From: Michael Krupnick <moweemike808@icloud.com>
Sent: Thursday, May 21, 2026 7:55 PM
To: HLU Committee
Subject: Testimony for 5/26/26 meeting

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Sent from my iPhone **To the Honorable Members of the Maui County Council Housing and Land Use Committee,**

My name is Michael Krupnick, and I strongly support Bill 88 (2026), which proposes the establishment of the H-3 and H-4 Hotel Districts.

As a property owner and someone who closely follows the economic realities affecting Maui residents, local workers, and small business owners, I believe the creation of these zones is a balanced and practical solution that protects both the community and the long-term stability of Maui's visitor economy.

The proposed H-3 and H-4 districts recognize an important reality: many of these properties were legally operating as transient vacation rentals for years prior to Ordinance 5909. The creation of these districts provides clarity, consistency, and fairness for property owners who purchased and operated under the existing legal framework.

In addition, these zones help preserve tourism-related economic activity that supports countless local jobs across hospitality, restaurants, transportation, maintenance, retail, and small businesses throughout Maui County. Tourism remains one of Maui's primary economic drivers, and maintaining legally operating visitor accommodations is critical to sustaining local employment opportunities and tax revenue that benefits the community as a whole.

Importantly, Bill 88 also maintains flexibility by allowing residential and apartment district uses alongside existing legally permitted transient vacation rental operations. This creates a more thoughtful and balanced land-use approach rather than a one-size-fits-all restriction.

I understand the concerns surrounding housing availability and community impact, and I believe those concerns deserve continued attention and responsible policy solutions. However, eliminating long-standing lawful operations without a workable transition creates uncertainty, financial hardship, and unintended economic consequences for many local owners and workers.

The establishment of the H-3 and H-4 districts offers a reasonable middle ground that respects property rights, supports Maui's economy, and provides a structured framework moving forward.

Thank you for your time, consideration, and service to the people of Maui County.

HLU Committee

From: EkahiOceanStudio <ekahioceanstudio@icloud.com>
Sent: Friday, May 22, 2026 7:24 AM
To: HLU Committee
Subject: Bill 88

[You don't often get email from ekahioceanstudio@icloud.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

To the Housing and Land Use Committee,

I'm testifying in support of Bill 88.

I own a property listed on the Minatoya List. I understand the housing crisis and support the intent of Bill 9. But Bill 88 isn't about reversing that; it's about thoughtful implementation.

The Temporary Investigative Group spent months studying this. They identified roughly 4,500 units out of 7,000+ that, based on location, building characteristics, and market reality, could continue serving visitors without preventing housing solutions. Those recommendations came from county staff who understand both the economy and the housing need.

H-3 and H-4 zones allow the Council to make case-by-case decisions based on facts, not a blanket approach. A beachfront condo in Wailea operates differently than an apartment in Kahului. This gives local government the flexibility to address both.

Passing Bill 88 doesn't rezone anyone. It just creates the legal tool to have those conversations.

Maui's economy depends partly on visitor spending that funds local jobs and tax revenue for housing programs. A thoughtful phase-out, guided by the TIG's analysis, can achieve both goals.

I urge support for Bill 88.

Respectfully,
Laura Hutchings
Wailea Ekahi

HLU Committee

From: Mackenzie Chase (ELCA) <machase@expediagroup.com>
Sent: Friday, May 22, 2026 12:14 PM
To: HLU Committee
Subject: Expedia Group Testimony - Bill 88
Attachments: 052226 - EG Testimony Maui Bill 88 FINAL.pdf

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May 22, 2026

Chair Nohelani U'u-Hodgins
Maui County Council Housing and Land Use Committee
Council Chamber
Kalana O Maui Building, 8th Floor
200 South High Street
Wailuku, Maui 96793

Re: Bill 88 Creating Hotel-3 and Hotel-4 Zones

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee,

On behalf of Expedia Group, a family of brands that includes Expedia.com, Hotels.com, and short-term rental leader Vrbo, I am writing in strong support of Bill 88, which would create Hotel-3 (H-3) and Hotel-4 (H-4) zones in Maui statute.

Creating H-3 and H-4 zones is a critical first step to maintaining sensible transient use for some Minatoya List properties. As the recommendations from the Maui County Council Bill 9 Temporary Investigative Group (TIG) acknowledge, many of the buildings on the Minatoya List are ill-suited to serve as long-term housing and are unlikely to be converted to owner-occupied units or long-term rentals. Some buildings are purpose-built vacation properties. Others are at extreme risk of sea rise or are old properties with small units and extensive carrying costs and assessments for major repairs.

Importantly, Bill 88 would not rezone a single building, so there is no need to evaluate or create specific criteria for rezoning at this time. The newly proposed H-3 and H-4 zones would also prevent upzoning that would allow new hotels.

Phasing out transient use for all the thousands of units on the Minatoya List so quickly—over a three- to five-year period would jeopardize Maui's economy. As the UHERO economic analysis of Bill 9 points out, tax collections could fall by \$75 million annually, 1,900 jobs could be lost, and visitor spending could decline by \$900 million annually. Failing to rapidly rezone buildings would cause all these economic harms with very limited benefits to housing.

We urge you to expeditiously support the creation of H-3 and H-4 zones so Council can rationally rezone some buildings on the Minatoya List.

Thank you,

Mackenzie Chase
Regional Manager, Hawai'i
Expedia Group

Mackenzie Chase
Regional Manager | Government and Corporate Affairs

machase@expediagroup.com





May 22, 2026

Chair Nohelani U'u-Hodgins
Maui County Council Housing and Land Use Committee
Council Chamber
Kalana O Maui Building, 8th Floor
200 South High Street
Wailuku, Maui 96793

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We urge you to expeditiously support the creation of H-3 and H-4 zones so you can rationally rezone some buildings on the Minatoya List.

Thank you,

Mackenzie Chase
Regional Manager, Hawai'i
Expedia Group



HLU Committee

From: Cheryl Vohaska <cvohaska@gmail.com>
Sent: Saturday, May 23, 2026 3:12 AM
To: HLU Committee
Subject: Bill 88 Testimony

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Re: Bill 88 (2026) — H-3 and H-4 Hotel Districts

Housing and Land Use Committee, HLU-16

May 26, 2026

Aloha Chair U'u-Hodgins and Members of the Housing and Land Use Committee:

My name is **Cheryl Vohaska**, and I am an owner at **Hale Kai O'Kihei**. I submit this testimony regarding Bill 88, relating to the proposed creation of H-3 and H-4 Hotel Districts.

At the outset, I want to be very clear: **nothing in this testimony should be understood as a waiver, concession, or abandonment of any legally vested rights, nonconforming use rights, constitutional rights, statutory rights, equitable rights, or claims held by me, Hale Kai O'Kihei owners, or similarly situated owners.** By participating in this process, I am not agreeing that Maui County has lawfully extinguished existing transient vacation rental rights, nor am I agreeing that a new zoning district is legally required in order for historically lawful transient vacation rental use to continue.

To the contrary, the County should recognize that **legally established uses cannot simply be extinguished by relabeling the zoning code.** Hawai'i's zoning enabling statute, HRS § 46-4(a), expressly states that neither that section nor any ordinance enacted under it may "prohibit the continued lawful use" of a building or premises for the purpose for which it is being used when the ordinance takes effect, subject only to specifically defined rules for discontinuance, amortization, or phaseout. Hawai'i courts have also recognized that grandfather protections under HRS § 46-4(a) are intended to prevent new zoning ordinances from interfering with lawful existing uses, and the Intermediate Court of Appeals in **Waikiki Marketplace** stated that forcing removal of a previously lawful structure would interfere with vested property rights in violation of due process.

That law matters here. Even if the County intends to rely on Act 17 or on the amortization language in HRS § 46-4(a), the County should not treat those provisions as a blank check to disregard vested rights, reliance interests, due process, equal protection, takings limits, or the requirement that zoning action be rational, consistent, and supported by evidence. The County should be required to explain, on the record, how it believes it can lawfully extinguish or burden a long-standing, legally established property use without violating those protections.

The County already has a mechanism to allow these uses in A-1 and A-2. In fact, the Planning Department's own materials acknowledge that before Ordinance 5909, transient vacation rentals were allowed in qualifying Apartment District buildings under former MCC Section 19.12.020.G. The Department's proposed amendment to Bill 88 would simply move those same criteria into the new H-

3 and H-4 districts, including lawful existence by April 20, 1989, legal TVR use before September 24, 2020, no increase in TVR units beyond those allowed as of January 7, 2022, and current tax compliance.

That point is important: **the County does not need to invent a new legal fiction to recognize uses that already existed and were already legally recognized.** The prior A-1 and A-2 framework already contained a mechanism for distinguishing lawful, historic transient vacation rental properties from properties that did not qualify. The creation of H-3 and H-4 may be politically useful or administratively convenient, but it should not be treated as if owners have no rights unless the County grants them a new zone.

Therefore, my position is this: **the County should first recognize and preserve legally vested transient vacation rental rights where they exist.** But if the County is refusing to recognize those rights at this time, then any new H-3/H-4 process must be objective, transparent, consistent, legally defensible, and available to all similarly situated properties.

Bill 88 cannot become a discretionary political sorting tool where some properties are saved and others are sacrificed based on pressure, favoritism, incomplete criteria, or generalized policy preferences. If the County proceeds with H-3 and H-4, the criteria must be tied to objective facts, including:

whether the property has a legally vested right to rent short term and whether it was lawfully built or approved before the relevant cutoff date;

whether transient vacation rental use was lawfully conducted and recognized through tax records, permits, or other County and State treatment;

whether the number of transient rental units is being preserved rather than expanded;

whether the property is physically, economically, and historically more like visitor lodging than workforce housing;

whether the property has been taxed, insured, financed, maintained, and operated in reliance on lawful visitor use;

whether conversion to long-term housing is realistic, lawful, safe, insurable, and economically feasible;

and whether the County can identify a lawful basis for denying continued use to one qualifying property while allowing continued use for another similarly situated property.

The Planning Department's report confirms that Bill 88, as currently structured, is only the first step. It creates districts but does not rezone any specific property. Any property would still need a future Change in Zoning and Community Plan Amendment process. That means the County still has a duty to make sure the later process is not arbitrary. It must provide meaningful notice, due process, consistent standards, and a fair opportunity for similarly situated properties to be treated alike.

This is especially important for Hale Kai O'Kihei.

Hale Kai O'Kihei and other older oceanfront condominium properties are not interchangeable with ordinary residential apartment buildings. They were not built, priced, insured, reserved, maintained, or

operated as affordable workforce housing. They are oceanfront condominium properties with significant ownership costs, flood exposure, insurance burdens, reserve obligations, and building-maintenance realities. Treating them as if they can simply become affordable long-term housing is not realistic.

There is also a serious unresolved problem with the County's own sea level rise and housing policy assumptions. On one hand, County discussions have repeatedly raised sea level rise, shoreline exposure, and coastal risk concerns. On the other hand, the County's housing rationale assumes that the same vulnerable oceanfront properties should be converted into long-term housing for local residents. Those two positions are in direct conflict. Adding amendments later on to try to correct this conflict but applied without objective criteria, applying them to select complexes, only makes that tension stronger and would open up the county to tremendous liability in regard to unequal treatment of current owners and the financial and physical endangerment of future long term tenants.

If a property is considered too vulnerable, exposed, or problematic from a sea level rise standpoint to continue as visitor accommodations, then it is difficult to understand why the County would simultaneously claim it is sound housing policy to push local families or long-term tenants into those same buildings. The County cannot have it both ways. Either these properties are appropriate places for continued occupancy subject to existing law and building standards, or they raise serious long-term habitability, insurance, financing, and resilience questions. Those questions do not disappear simply because the occupant is a resident instead of a visitor.

This is not just a policy inconsistency. It affects whether Bill 9 and any follow-up zoning process actually advances the stated housing goal. For many oceanfront Minatoya properties, including Hale Kai O'Kihei, the likely result is not meaningful affordable housing. The likely result is legal uncertainty, reduced property values, higher insurance and financing problems, deferred maintenance pressure, and potential displacement of existing lawful economic use without producing realistic workforce units.

The County's own record acknowledges that Ordinance 5909/Bill 9 phases out transient vacation rental use in Apartment Districts after an amortization period, with December 31, 2028 for West Maui and December 31, 2030 for the rest of Maui County. That makes the H-3/H-4 discussion extremely consequential. This is not an abstract zoning clean-up. It is part of the County's attempt to decide which properties may continue a long-standing lawful use and which properties will lose it.

If the County insists on proceeding through new H-3 and H-4 zones rather than directly recognizing vested rights in A-1 and A-2, then the new zones must not be designed or applied in a way that compounds the legal defects of Bill 9. They must not create new arbitrary exclusions. They must not ignore comparable properties. They must not use sea level rise as a selective reason to deny some properties while still claiming those same properties are needed for local housing. They must not impose unrelated exactions, shoreline access conditions, parking conditions, armoring restrictions, or liability burdens before any specific property is even being evaluated.

The Planning Department's materials note that prior proposed amendments concerning shoreline access, parking, liability, shoreline armoring, and removal of human-made objects were discussed but were not passed by the Council. Those issues should not be inserted into this district-creation bill as a back-door condition on vested or historically lawful use. If such issues are relevant to a specific property, they should be addressed later in a property-specific process with evidence, findings, notice, and due process.

I also ask the Committee to avoid treating the Planning Commissions' denial recommendations as the end of the analysis. The Planning Commissions may have recommended denial, but the Council remains responsible for creating a legally coherent path forward. The County created this conflict by adopting Ordinance 5909 while also recognizing, through the TIG process and Bill 88, that some properties may be appropriate for continued transient vacation rental use. The Council cannot stop halfway. If it recognizes that exceptions or continued-use pathways are needed, those pathways must be fair, objective, and legally defensible.

For Hale Kai O'Kihei and similarly situated properties, the County should require a serious property-specific analysis before any use is eliminated. That analysis should include actual evidence of whether the property can realistically serve as long-term housing, including purchase prices, HOA dues, insurance costs, flood-insurance limitations, repair and reserve obligations, financing availability, special assessment risk, physical layout, parking, building age, shoreline exposure, and historic visitor-accommodation use.

A simple statement that Maui needs housing is not enough. Everyone understands Maui needs housing. The question is whether eliminating lawful transient use at properties like Hale Kai O'Kihei will actually create attainable housing, or whether it will simply impose a severe burden on a small group of owners while producing little or no realistic housing benefit.

The County should not use broad housing goals to justify arbitrary treatment of legally distinct properties. If a building has functioned for decades as visitor lodging, has been taxed and regulated accordingly, is located in an oceanfront visitor-oriented setting, and carries costs that make long-term affordable rental use unrealistic, then the County must account for those facts before claiming the property is part of the housing solution.

I respectfully ask the Committee to revise and apply Bill 88 in a way that preserves the legal record and avoids further constitutional and statutory problems.

Specifically, I ask the Committee to:

First, expressly state that nothing in Bill 88 waives, extinguishes, limits, or prejudices any vested rights, lawful nonconforming use rights, constitutional claims, statutory claims, takings claims, due process claims, or equal protection claims held by affected owners.

Second, recognize that new H-3 and H-4 zoning should not be treated as the only legal basis for continued transient vacation rental use where that use was already lawful under prior A-1 or A-2 zoning.

Third, explain on the record how the County believes it can lawfully extinguish, burden, or condition a legally vested and previously lawful property use in light of HRS § 46-4(a), Hawai'i due process protections, and Hawai'i case law recognizing that grandfather protections are intended to prevent new zoning ordinances from interfering with lawful existing uses.

Fourth, if the County claims that Act 17 or the amortization language in HRS § 46-4(a) allows the County to phase out these uses, explain exactly how the County intends to apply that authority without violating vested rights, due process, equal protection, takings protections, or the requirement that zoning classifications be rational, consistent, and evidence-based.

Fifth, if the County proceeds with H-3 and H-4, adopt objective criteria based on lawful historic use, County and State tax treatment, building history, reliance, no expansion of units, and realistic housing feasibility.

Sixth, require that similarly situated properties be treated consistently. If properties are comparable in history, use, legal status, physical character, tax treatment, and lack of realistic workforce-housing feasibility, they should have the same opportunity to be considered.

Seventh, do not add unrelated shoreline access, parking, armoring, liability, or sea-level-rise conditions at the district-creation stage.

Eighth, require a property-specific record before excluding any property from the pathway, including evidence regarding insurance, flood risk, reserve obligations, financing, affordability, and whether long-term residential conversion is actually feasible.

Ninth, address the contradiction between using sea level rise concerns to burden these properties while simultaneously claiming they should become long-term housing for local residents.

Bill 88 should not be used to imply that owners have no rights unless the County grants them new zoning. The better approach is to recognize existing lawful and vested uses. But if the County refuses to do that now, then H-3 and H-4 must be built and applied as a fair, objective, property-specific safety valve — not as a discretionary political filter.

For Hale Kai O’Kihei, this issue is not theoretical. Owners have relied on long-standing lawful use, State and County tax treatment, and the settled character of the property. Eliminating that use without a realistic housing benefit and without consistent, objective treatment would create serious legal and practical consequences.

I urge the Committee to move carefully, preserve vested rights, avoid arbitrary classifications, and ensure that Hale Kai O’Kihei and similarly situated properties receive a fair and meaningful process.

Mahalo for your time and consideration.

Respectfully submitted,

Cheryl Vohaska

Owner, Hale Kai O’Kihei

HLU Committee

From: Trish McLean <trish@trishmclean.com>
Sent: Saturday, May 23, 2026 8:26 AM
To: HLU Committee
Subject: Testimony on BILL 88 (2026), AMENDING THE COMPREHENSIVE ZONING ORDINANCE TO ESTABLISH THE H-3 AND H-4 HOTEL DISTRICTS (HLU-16)

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Dear Committee Members:

I am writing in SUPPORT of Bill 88 which will restore the TVR status through the creation of H-3 & H-4 zoning.

I purchased a condo in Kihei 24 years ago so that I could enjoy more time in Maui and ultimately (hopefully) retire to the Island. The only way I could afford to do this was by purchasing a condo that was Zoned for short-term rentals so that it could be rented out most of the time.

I very intentionally sought out and purchased a condo that was designed, built, and zoned as a vacation rental. I'm not a rich person but I was happy to consider Maui my 2nd home with the ultimate goal of someday retiring to the island.

At the time of purchase the Land Classification for the condo was "HOTEL/RESORT," per the Assessor's office. Bill 9 stripped me of my right to use my property in accordance with its original intent and zoning classification.

Bill 88 will rectify that error. Bill 9 mistakenly treats all condo complexes the same, ignoring the original design and intent of specific developments. It also ignores the financial burden and "taking" of property from owners who purchased in good faith based on the resort's zoning. Bill 88 will rectify this error. It will codify Hotel zoning for those resorts that were designed and designated as vacation rental properties decades ago.

I urge your support of Bill 88 and the restoration of the equitable application of zoning to those properties originally classified as "Hotel/Resort".

Mahalo,

Patricia S. McLean
owner: 2777 S. Kihei Rd #A-110 (Maui Kamaole Resort)

HLU Committee

From: aminasian <aminasian@aol.com>
Sent: Saturday, May 23, 2026 9:15 AM
To: HLU Committee
Subject: Bill 88

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I support a fair process for zoning properties for long-standing lawful short-term rental use. As a local property owner who stays in Maui part time, I know there are many properties affected by Bill 9 that simply are not suitable for affordable workforce housing because of their proximity to the rising sea level, flood exposure in Kihei, ownership costs, and more. There should be a pathway for these properties to continue to function as STR's and provide much needed rental tax and property tax to the county.

I encourage the council to identify objective criteria for H3/H4 eligibility and not create a list that arbitrarily favors some complexes while excluding others. The inclusion process should be rational so that properties that are appropriate for workforce housing be available as workforce housing and properties that are not affordable or safe as workforce housing due to ever increasing climate conditions should be allowed to continue short term rental usage.

My participation in this H3/H4 process in no way waives any vested rights, ownership structure, constitutional claim or objections to Bill 9.

Ari Minasian
1310 Uluniu Rd #318
Kihei, HI 96753

HLU Committee

From: Josef Erlemann <josef312@gmail.com>
Sent: Saturday, May 23, 2026 9:52 AM
To: HLU Committee
Subject: TESTIMONY OF THE OWNER OF HALE KAI O'KIHEI, UNIT 201

TESTIMONY OF THE OWNER OF HALE KAI O'KIHEI, UNIT 201

TO: Housing and Land Use Committee (HLU-16)

RE: Bill 88 (2026): H-3 and H-4 Hotel Districts

HEARING DATE: May 26, 2026

Aloha Chair U'u-Hodgins and Members of the Housing and Land Use Committee:

My name is **Josef Erlemann**, and I am the owner of **Unit 201 at Hale Kai O'Kihei (TMK 390080030011)**. More importantly, I am a full-time Maui resident, a local worker, a registered voter, and a father raising a family of five right here in Kula. I am submitting this formal testimony to voice my position on Bill 88 regarding the establishment of the proposed H-3 and H-4 Hotel Districts.

Unlike the common narrative that short-term rentals are solely owned by mainland corporations or off-island speculators, my family's property directly supports our livelihood on Maui. The revenue generated by Unit 201 stays 100 percent within our local economy, helping us live, work, and raise our three children in the community we love.

1. Formal Reservation of Vested Rights

First and foremost, please let the record show that nothing contained in this testimony shall be interpreted as a waiver, forfeiture, or abandonment of any of my legally vested rights, nonconforming use rights, statutory protections, or constitutional and equitable claims. By participating in this public process, I do not concede that Maui County possesses the legal authority to retroactively extinguish historically lawful transient vacation rental (TVR) rights, nor do I agree that a new zoning classification is a prerequisite for these long-standing uses to continue.

2. The Legal Precedent of Lawful Continued Use

The County must acknowledge a fundamental legal reality: historically established, lawful property uses cannot be erased by simply renaming a zoning code. Under Hawai'i's zoning enabling statute, **HRS § 46-4(a)**, no ordinance may prohibit the continued lawful use of a building or premise for the purposes it was actively used for when the ordinance takes effect.

State jurisprudence reinforces this. The Intermediate Court of Appeals (for example, in the *Waikiki Marketplace* decision) has affirmed that forcing the termination of historically lawful property operations infringes upon vested property rights and violates due process. The County cannot treat Act 17 or statutory amortization clauses as a blank check to ignore due process, reliance interests, equal protection, and takings protections. The administration must explain openly, on the record, how it intends to legally dismantle these protections.

3. An Existing Framework Already Exists

The Planning Department's own documentation acknowledges that prior to Ordinance 5909, short-term rentals were explicitly permitted in qualifying Apartment District buildings under former **MCC Section 19.12.020.G**. The criteria for lawful existence, including operations commencing prior to April 20, 1989, active use before September 24, 2020, capping unit counts to January 7, 2022 levels, and tax compliance, are already established. The County does not need to invent a new legal fiction or construct a brand-new zoning bracket to identify these properties. While creating H-3 and H-4 districts may offer administrative convenience, it should not be leveraged as a tool to imply that owners hold no inherent property rights unless the County actively gifts them a new designation.

4. Avoiding a Discretionary Political Filter

If the County refuses to directly preserve these rights within the existing A-1 and A-2 frameworks and insists on moving forward with H-3 and H-4, the resulting pathway must be objective, transparent, and universally accessible to all similarly situated properties. Bill 88 must not morph into an arbitrary political sorting mechanism where certain complexes are protected and others are sacrificed based on localized pressure or incomplete criteria.

Any evaluation must rely strictly on objective facts, including:

- **Vested History:** Whether the property holds a vested right and was lawfully permitted prior to the established cutoff dates.
- **Tax & Permit History:** Transparent verification of TVR operations through state and county tax records.
- **Capacity Limits:** Preservation of existing unit counts without expansion.
- **Economic Reality:** Whether the complex operates structurally, historically, and economically as visitor lodging rather than standard residential housing.
- **Reliance Realities:** Decades of ownership, financing, insurance, and maintenance undertaken in direct reliance on lawful short-term use.
- **Feasibility:** Whether long-term residential conversion is actually safe, legally permissible, insurable, and economically viable.

Because Bill 88 is merely the framework bill and does not directly rezone properties, the subsequent Change in Zoning and Community Plan Amendment phases must remain entirely free of arbitrary standards.

5. The Realities of Hale Kai O’Kihei and the Sea Level Rise Contradiction

Older, oceanfront condominium properties like Hale Kai O’Kihei are entirely unique from standard residential apartment complexes. Unit 201 and our surrounding community were not built or priced to function as affordable workforce housing. We face immense oceanfront maintenance realities, specialized structural reserve obligations, strict flood-insurance mandates, and high operational overhead.

Furthermore, there is an irreconcilable contradiction in the County's current policy trajectory:

On one hand, the County repeatedly flags oceanfront vulnerability and sea level rise risks for coastal properties. On the other hand, the housing policy assumes these exact same vulnerable structures should serve as long-term, primary residences for local families.

The County cannot maintain both positions. If a building is deemed too environmentally exposed to host short-term visitors, it is logically and ethically indefensible to claim it is sound public policy to transition local residents and families into those same spaces.

As a father of a family of five, I know firsthand that high-overhead oceanfront condos are physically, structurally, and economically mismatched for local families. Forcing this transition will not yield affordable workforce housing. Instead, it will trigger severe legal liability for unequal treatment, collapse property values, complicate financing, and degrade basic building maintenance.

6. Specific Actionable Requests

To prevent further constitutional and statutory vulnerabilities, I respectfully request that the Committee amend and apply Bill 88 to:

1. **Explicitly declare** that Bill 88 does not waive, restrict, or prejudice any vested rights, nonconforming uses, or constitutional claims held by property owners.
2. **Acknowledge** that H-3 and H-4 designations are not the exclusive legal avenues for continued TVR use where it was already lawful under A-1/A-2 zoning.
3. **Provide a formal legal explanation** as to how the County can lawfully override HRS § 46-4(a) and established state grandfathering protections.
4. **Detail precisely** how any proposed phase-out will respect due process, equal protection, and takings limits.

5. **Embed objective, data-driven criteria** into the H-3/H-4 framework based on historic use, tax history, and realistic housing feasibility.
6. **Mandate equal treatment** for all similarly situated properties sharing identical histories and economic characteristics.
7. **Exclude unrelated conditions** (such as shoreline armoring restrictions, parking exactions, or liability shifts) from this initial district-creation stage.
8. **Require a property-specific evidentiary record** before any complex is barred from a pathway, evaluating true insurance and structural parameters.
9. **Resolve the policy paradox** of routing long-term residential tenants into zones actively flagged for sea level rise hazards.

Conclusion

For my property at Hale Kai O’Kihei Unit 201, this issue is profoundly impactful. My ownership relies on decades of lawful use, transparent state and county tax classifications, and the established nature of our community. Stripping this use away without a demonstrable, realistic housing benefit and through an arbitrary process will result in severe practical and legal fallout.

I urge this Committee to move forward with extreme caution, respect vested property rights, and guarantee a fair, predictable, and objective process for Hale Kai O’Kihei.

Mahalo for your time, leadership, and for carefully considering a local family's perspective.

Respectfully submitted,

Josef Erlemann Owner, Hale Kai O’Kihei Unit 201
josef312@gmail.com

808-283-9892

2746 Lower Kula Road

Kula, HI 96790

HLU Committee

From: mjac247529@aol.com
Sent: Saturday, May 23, 2026 11:40 AM
To: HLU Committee
Subject: Maui County Council's Housing and Land use Committee (BILL 88)

You don't often get email from mjac247529@aol.com. [Learn why this is important](#)

BILL 88

To: Maui County Council's Housing and Land Use Committee.

Date: 5/22/2026

Email: HLU.committee@mauicounty.us

From: Martin Jackson

Owner of Unit #302 Hale Kai O'Kihei.

Dear Maui County Council Members,

I am writing regarding the proposed H-3/H-4 hotel zoning districts and the process for determining which properties may qualify for inclusion.

As an owner at Hale Kai O'Kihei, I am deeply concerned about ensuring that the County establishes clear, transparent, and fair guidelines for determining which condominium complexes and properties may be approved for these zoning classifications.

Recognize that Hale Kai O'Kihei and similar properties of this type are not realistic for workforce type housing, because of it's location, history, structure, carrying costs, flood exposure, insurance, and not to overlook the high HOA monthly costs to just maintain such a property.

I respectfully ask the Council to adopt objective and consistent standards for how properties are evaluated and approved.

At minimum, the process should include:

1. Objective Eligibility Criteria:

Properties should be evaluated using consistent standards rather than case-by-case political discretion. Criteria could include:

- a). Historical lawful visitor use.
- b). Existing infrastructure designed for transient occupancy.

- c). Prior County permits and tax classification.
- d). Length and continuity of operation as visitor accommodations.
- e). Compliance history with County regulations.

Properties such as Hale Kai O'Kihei, which have long operated within the visitor accommodation economy, should receive fair consideration based on documented historical use and established operational history.

2. Transparency and Public Access

The County should publish:

- a). The full list of applicant properties.
- b). The criteria being used.
- c). Staff recommendations and supporting findings.
- d). Timelines for review and appeals.

This transparency will help maintain public trust and reduce the confusion and concerns about unequal treatment.

3. Equal Treatment Under the Law

Similar properties should be treated similarly. Owners, residents, and local businesses deserve confidence that approvals or denials are based on measurable standards, not inconsistent interpretation or political influence.

4. Avoid Unrealistic or Burdensome Conditions

The County should avoid imposing unrealistic, excessive, or impractical requirements that would make the H-3/H-4 pathway effectively unusable for otherwise qualified properties.

If the purpose of these zoning categories is to provide a fair and workable transition framework, then the application standards and operating conditions must be achievable, clearly defined, and economically realistic for existing condominium properties that have historically operated as lawful visitor accommodations.

Hale Kai O'Kihei property has been in my family for several generations with the complete understanding that lawful short-term rental use was permitted and recognized for decades. Any transition process should acknowledge those reliance interests fairly.

5. Clear Appeals and Review Process

Applicants should have access to a defined appeal process if they believe criteria were incorrectly applied.

6. Preserve all owners rights and avoid implication that participating in the H-3/H-4 process waives any vested rights, constitutional claims, current or in the future, or objections to Bill 9.

The creation of H-3/H-4 zoning categories is a significant policy that will shape Maui for decades. A fair, transparent, consistent, and workable framework is essential to maintain confidence in the process and to avoid unnecessary legal disputes and community division.

Thank you for your time, service, and consideration.

Sincerely,

Martin Jackson

Owner, Hale Kai O'Kihei unit #302

HLU Committee

From: Jerry McDonald <mrjerrymcdonald@gmail.com>
Sent: Saturday, May 23, 2026 1:57 PM
To: HLU Committee
Subject: Bill 88

You don't often get email from mrjerrymcdonald@gmail.com. [Learn why this is important](#)

Aloha,

I support a fair, transparent zoning path for long-standing lawful STR properties, but creating H-3/H-4 zoning alone isn't enough. If none are automatically included, the Council must define a clear, objective, and non-discriminatory process for all comparable properties.

Gerald McDonald
Hale Kai O'Kihei # 318
Kihei, HI 96753

HLU Committee

From: Maria Schroder <sass.schroder@gmail.com>
Sent: Saturday, May 23, 2026 2:17 PM
To: HLU Committee
Subject: Bill 88

You don't often get email from sass.schroder@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Sincerely,
Rita Maria Schroder
Papakea B-209

HLU Committee

From: Ronald Yates <ry24005505@gmail.com>
Sent: Saturday, May 23, 2026 2:52 PM
To: HLU Committee
Subject: Testimony in Support of Bill 88

You don't often get email from ry24005505@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo currently zoned A2/H2 in the Temporary Investigation Group report.

I support Bill 88 being passed clean to create a new zoning districts H 3 and H 4. Like for Like with A1 and A 2 standards.

Seven council members expressed support for new zoning districts. Creating H3and H4 zones.
Vote yes and pass Bill 88 clean.

Thank you
Ron Yates

HLU Committee

From: Dennis Manzer <dennis@manzerusa.com>
Sent: Saturday, May 23, 2026 3:29 PM
To: HLU Committee
Subject: Proponent for Passing Bill 88

You don't often get email from dennis@manzerusa.com. [Learn why this is important](#)

Dear Council Members,

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 council members specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those council members who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you,

Dennis Manzer
Owner Papakea Unit G103
Maui County, HI

HLU Committee

From: John Hertzler <john.p.hertzler@gmail.com>
Sent: Saturday, May 23, 2026 4:51 PM
To: HLU Committee
Subject: Vote Yes and pass Bill 88 clean

You don't often get email from john.p.hertzler@gmail.com. [Learn why this is important](#)

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support the passage of Bill 88 clean to create new H3 and H4 zoning districts that are “like-for-like” with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for the creation of H3 and H4 zones to vote yes and pass Bill 88 clean.
Mahalo,

-john hertzler-

HLU Committee

From: Lawrence Hall <larryhall964@gmail.com>
Sent: Saturday, May 23, 2026 5:01 PM
To: HLU Committee
Subject: Bill 88

You don't often get email from larryhall964@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

V/r

Lawrence Hall

HLU Committee

From: Patricia Bellardo <pbellardo@gmail.com>
Sent: Saturday, May 23, 2026 7:56 PM
To: HLU Committee
Subject: Pass Bill 88 clean....

You don't often get email from pbellardo@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those council members who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

HLU Committee

From: Papakea Cammarata <papakeag108maui@gmail.com>
Sent: Sunday, May 24, 2026 4:56 AM
To: HLU Committee
Subject: Pass Bill 88 Clean

You don't often get email from papakeag108maui@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Marielle Cammarata

HLU Committee

From: Dee Hnatko <deehnatko@hotmail.com>
Sent: Sunday, May 24, 2026 5:09 AM
To: HLU Committee
Subject: Support the passing Bill 88

You don't often get email from deehnatko@hotmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I am a property owner of a condo currently zoned A2/H2 and identified on Exhibit 2 of the October 13, 2025 Temporary Investigative Group report. I am writing to express my strong support for the passage of Bill 88, clean and without amendments, to create the new H3 and H4 zoning districts that are intended to be “like-for-like” with the existing A1 and A2 development standards.

Throughout deliberations surrounding Bill 9, multiple Council members—at least seven—publicly expressed support for establishing these new H3 and H4 zoning districts. Those statements recognized the importance of maintaining consistency, fairness, and a clear path forward for affected property owners. With Bill 9 now passed, I respectfully urge Council to follow through on those commitments and support the adoption of Bill 88 as originally intended.

For property owners like myself, predictability and confidence in land use policy matter. Residents and property owners make long-term decisions and investments based on the understanding that commitments made during public deliberations will be honored. Creating H3 and H4 zoning districts that truly mirror the A1 and A2 development standards provides clarity and continuity while respecting the intent expressed throughout the legislative process.

This is an opportunity for Council to demonstrate consistency and uphold the commitments that were discussed publicly. I encourage those Council members who previously expressed support for H3 and H4 zoning districts to vote in favor of Bill 88 clean and help ensure that the process remains transparent, fair, and aligned with the expectations created during prior discussions.

Thank you for your time and consideration.

Sincerely,

Dimitra Hnatko

HLU Committee

From: Cathy Love <cathyr1107@yahoo.com>
Sent: Sunday, May 24, 2026 5:45 AM
To: HLU Committee
Subject: Please pass Bill 88 clean

You don't often get email from cathyr1107@yahoo.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo at Papakea that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your consideration.

Catherine Love

HLU Committee

From: Jack Steck <jssteck@sbcglobal.net>
Sent: Sunday, May 24, 2026 6:59 AM
To: HLU Committee
Subject: support for Bill 88 to create new H3 and H4 zones

You don't often get email from jssteck@sbcglobal.net. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condominium that is currently zoned A2/H2 and is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report.

I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are “like-for-like” with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Best,

Jack Steck, owner at unit B403, Papakea Resort

HLU Committee

From: ROB MAPES <rmapes@comcast.net>
Sent: Sunday, May 24, 2026 7:14 AM
To: HLU Committee
Subject: Bill 88

You don't often get email from rmapes@comcast.net. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee,

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the TIG report from October 13, 2025. I support passage of Bill 88 to create new H3 and H4 zoning districts.

During deliberations on Bill 9, at least 7 council members specifically expressed support for the creation of these new zoning districts. I hope they will now vote to pass Bill 88 clean in order to create new H3 and H4 zones.

Rob Mapes

HLU Committee

From: Sue Fiddick <suefiddick@hotmail.com>
Sent: Sunday, May 24, 2026 7:46 AM
To: HLU Committee
Subject: Testimony on Bill 88 H-3/H-4 Zoning

You don't often get email from suefiddick@hotmail.com. [Learn why this is important](#)

To: Members of the Housing and Land Use Committee

Our names are Douglas and Susan Fiddick and we are owners of a unit in The Hale Kai O'Kihei. We would like to submit the following with regard to the H-3/H-4 zoning proposed by Council. We support a zoning pathway that is "fair and transparent" for long-term and lawful short term rental use and that it is fair for all similar properties.

Also that the zoning pathway chosen does not set unrealistic conditions making it impossible for The Hale Kai O'Kihei and similar properties to comply. We ask that the committee recognize that The Hale Kai is not suitable for long-term or workforce housing due to its history, location and flood exposure, its structure and carrying costs including insurance.

Respectfully submitted,
Douglas and Susan Fiddick

HLU Committee

From: Rosanna Lucero <sannalucero@gmail.com>
Sent: Sunday, May 24, 2026 8:12 AM
To: HLU Committee
Cc: Jeffery Lawrence Lucero
Subject: Testimony re: Bill 88 H-3 and H-4 Hotel Districts

You don't often get email from sannalucero@gmail.com. [Learn why this is important](#)

To: Chair U'u-Hodgins and Members of the Housing and Land Use Committee

From: Rosanna and Jeffery Lucero, Owners, Hale Kai O'Kihei

Re: Testimony on Bill 88 (H-3 and H-4 Hotel Districts)

Aloha Chair U'u-Hodgins and Committee Members,

My husband, **Jeffery Lucero**, and I (**Rosanna Lucero**) are the owners of two units at Hale Kai O'Kihei in Kihei. We are writing to share our concerns and deep hopes regarding Bill 88 and its plan to create new H-3 and H-4 Hotel Districts.

First and foremost, we want to be clear that our participation in this process does not mean we are waiving or giving up any of our legally vested or nonconforming use rights. We, and many other owners like us, have relied for decades on lawful transient vacation rental use established under County and State law, and that lawful use cannot simply be taken away by changing zoning labels.

Hawai'i Revised Statutes § 46-4(a) states plainly that a zoning ordinance cannot prohibit the continued lawful use of a property when the new ordinance takes effect. Courts have reinforced this principle because it protects long-standing property rights from arbitrary or retroactive government action. These rights matter not just as technical legalities, but because they represent people's trust, investments, and livelihoods.

Even if the County chooses to rely on Act 17 or amortization provisions, we urge that it not be treated as a blank check to ignore vested rights, due process, equal protection, or fairness. The County must be able to explain openly and on record how it believes it can phase out long-standing lawful uses without violating those principles.

The Maui Planning Department has already acknowledged that transient vacation rentals were previously recognized under the A-1 and A-2 Apartment District framework before Ordinance 5909. Bill 88 essentially takes those same longstanding criteria and places them within new "H" zones. That means the County doesn't need to "reinvent" something that already existed and was legally recognized. The prior framework already separated lawful historic TVR properties from those that were not.

That's why we ask that the County first recognize and preserve existing vested uses before creating new zoning layers. But if it insists on going forward with H-3 and H-4, the process must be objective, transparent, and consistent, not political or selective. Decisions should be based on evidence and clear criteria such as proof of lawful historic use, tax treatment, no expansion beyond existing units, and realistic assessment of whether a property can truly function as affordable housing.

This issue is especially important for properties like Hale Kai O'Kihei. We are not a conventional apartment complex. We are an older oceanfront condominium community with ownership costs, insurance burdens, and reserve requirements that make conversion to affordable long-term housing unrealistic. It's also contradictory for the County to say these oceanfront areas are too risky for visitors due to sea level rise, yet somehow safe and appropriate for families who would live there full-time.

If the County truly believes these properties are vulnerable to shoreline hazards, then that risk applies to all future occupants, not just tourists. Using those same arguments as a reason to selectively deny continued visitor use while claiming the buildings should become local housing makes little sense and creates potential legal and moral conflicts.

We understand Maui's need for housing. We live here too and care deeply about our beloved Maui's future. But eliminating lawful transient uses at properties like ours will not produce real affordable housing. It will instead create legal uncertainty, financial harm, and possible disinvestment, with little or no housing benefit to show for it.

We therefore respectfully ask the Committee to:

1. Affirm that Bill 88 does not waive or extinguish any vested rights or lawful uses.
2. Acknowledge that lawful transient uses under A-1 and A-2 zoning remain valid.
3. Clarify on record the legal authority being used to alter or eliminate those uses.
4. Ensure any H-3/H-4 process is grounded in objective, evidence-based criteria.
5. Guarantee consistent treatment for all similarly situated properties.
6. Avoid adding unrelated shoreline, parking, or liability conditions at this stage.
7. Require a proper record with evidence before denying any property's use.
8. Address the contradiction between sea-level-rise policy and housing designations.

This is not just a technical zoning issue for us, it is deeply personal. For over a decade, we have poured care, resources, and unwavering compliance into Hale Kai O'Kihei. We have paid every property and transient accommodation tax required of us, maintained our property to County and State standards, and operated with full transparency and respect.

Just as importantly, we have supported Maui's workforce year after year. We employ LOCAL property managers, skilled maintenance workers, housekeepers, journeymen, and locally owned companies who keep our condos safe, functional, and well-maintained. These are real people with real families, and our commitment to them has been consistent and long-standing.

What we are asking for today is simple: A fair, lawful process that honors logic, established rules, and the people who relied on those rules in good faith.

Mahalo nui loa for your careful attention and for considering how deeply this issue impacts both homeowners and the integrity of our community's laws.

With respect and aloha,

Rosanna M. Lucero & Jeffery L. Lucero

Owners, Hale Kai O'Kihei
1310 Uluniu Road, Kihei, Hawai'i

HLU Committee

From: Jon Wimber <jon1wimber@gmail.com>
Sent: Sunday, May 24, 2026 9:47 AM
To: HLU Committee
Subject: Bill 88 Testimony

You don't often get email from jon1wimber@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Jon M Wimber
503-789-8785
jon1wimber@gmail.com

HLU Committee

From: drmodell@verizon.net
Sent: Sunday, May 24, 2026 10:03 AM
To: HLU Committee
Subject: Re: Bill 88

You don't often get email from drmodell@verizon.net. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair, Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your attention to this matter.

Submitted by,
Eugene A Modell, owner
Papakea Resort

HLU Committee

From: Anna Binkley <annabin@comcast.net>
Sent: Sunday, May 24, 2026 10:11 AM
To: HLU Committee
Subject: New zones

You don't often get email from annabin@comcast.net. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I have owned a condo for over 20 years that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report.

I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are “like-for-like” with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 council members specifically expressed support for the creation of these new zoning districts.

Now that Bill 9 is passed, the time has come for those council members who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Sincerely, TA Binkley

HLU Committee

From: Brent Modell <bmod923@gmail.com>
Sent: Sunday, May 24, 2026 12:56 PM
To: HLU Committee
Subject: Support Bill 88

You don't often get email from bmod923@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 council members specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those council members who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your attention to this matter.

Submitted by,
Brent Modell, owner
Papakea Resort

HLU Committee

From: N & A VESALA <vesala@shaw.ca>
Sent: Sunday, May 24, 2026 1:20 PM
To: HLU Committee
Subject: Bill 88

You don't often get email from vesala@shaw.ca. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the [October 13, 2025](#) Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Annette Vesala
Papakea G205

HLU Committee

From: N & A VESALA <vesala@shaw.ca>
Sent: Sunday, May 24, 2026 1:22 PM
To: HLU Committee
Subject: Bill 88 clean

You don't often get email from vesala@shaw.ca. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the [October 13, 2025](#) Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Norman Vesala
Papakea G205

HLU Committee

From: Julie Monroe <monjala@att.net>
Sent: Sunday, May 24, 2026 2:04 PM
To: HLU Committee
Subject: Bill 88 new H3 and H4 zoning districts

You don't often get email from monjala@att.net. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

We own a Papakea condo that is currently zoned A2/H2 and is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. We support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those council members who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

We appreciate your time and the support of new zoning districts .

Mahalo:

Larry and Julie Monroe

Owners at Papakea

HLU Committee

From: Bernie Pitura <mrmay2244@gmail.com>
Sent: Sunday, May 24, 2026 3:25 PM
To: HLU Committee
Subject: Bill 88 - Testimony

You don't often get email from mrmay2244@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Respectfully,

Bernie Pitura

HLU Committee

From: Peter Webb <pjwsam@gmail.com>
Sent: Sunday, May 24, 2026 4:52 PM
To: HLU Committee
Subject: Testimony for supporting Bill 88

You don't often get email from pjwsam@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report.

I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards.

During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your consideration and hard work to resolve this matter that is important to the county of Maui and its residents.

Sincerely,

Peter Webb

cell 330 861 3707

HLU Committee

From: Joell Marchese <joellmarchese@gmail.com>
Sent: Sunday, May 24, 2026 4:52 PM
To: HLU Committee
Subject: Bill 88

You don't often get email from joellmarchese@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your consideration.

Joell Marchese

HLU Committee

From: Mark Klescewski <mark.klescewski@gmail.com>
Sent: Sunday, May 24, 2026 4:55 PM
To: HLU Committee
Subject: Bill 88

You don't often get email from mark.klescewski@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Sincerely,

Mark Klescewski

HLU Committee

From: jenelle oceanfrontpapakea.com <jenelle@oceanfrontpapakea.com>
Sent: Sunday, May 24, 2026 5:36 PM
To: HLU Committee
Subject: Bill 88

You don't often get email from jenelle@oceanfrontpapakea.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I respectfully support passage of Bill 88 clean to establish the H3 and H4 zoning districts.

The creation of these zoning districts is an important step toward modernization and clarification of Maui County's zoning code as it relates to longstanding lawful visitor accommodation uses in West Maui and other areas of the county.

Many existing visitor accommodation properties were originally developed, permitted, marketed, and operated for transient use under prior zoning and land use frameworks. The H3 and H4 districts provide a more appropriate and transparent zoning structure that recognizes these longstanding land use patterns while maintaining development standards that are "like-for-like" with the existing A1 and A2 districts.

Establishing these zoning categories also benefits Maui County by helping preserve an important segment of the visitor industry that supports local employment, small businesses, property tax revenues, and economic activity throughout the community.

I appreciate that this hearing is focused on modernization of the zoning code and the creation of zoning categories rather than individual properties. In that context, I believe creation of the H3 and H4 districts is a reasonable and appropriate step that provides clarity and alignment within the county's zoning framework.

I respectfully urge the Council to pass Bill 88 clean.

Thank you for your consideration.

Sincerely,

Jenelle Morella

HLU Committee

From: Laura F <foodielsf12@hotmail.com>
Sent: Sunday, May 24, 2026 5:40 PM
To: HLU Committee
Subject: May 26, 2026 Housing and Land Use Committee Agenda

You don't often get email from foodielsf12@hotmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your time-

Laura & Patrick Frambach

Papakea Resort D202

HLU Committee

From: Ann Sarna <anyasar@gmail.com>
Sent: Sunday, May 24, 2026 6:31 PM
To: HLU Committee
Subject: New zoning item on the agenda for the May 26 Housing and Land Use Committee

You don't often get email from anyasar@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

--

Ann Sarna, owner of a unit in the Papakea

HLU Committee

From: Lisa Sedlic <lisasedlic@gmail.com>
Sent: Sunday, May 24, 2026 6:47 PM
To: HLU Committee
Subject: Bill 88

You don't often get email from lisasedlic@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those council members who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Regards

Lisa Sedlic

HLU Committee

From: tamuz123@gmail.com
Sent: Sunday, May 24, 2026 8:21 PM
To: HLU Committee
Subject: RE: New zoning item on the agenda for the May 26 Housing and Land Use Committee

You don't often get email from tamuz123@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I am writing to express my strong support for the clean passage of Bill 88.

As a condominium owner of a property currently zoned A2/H2, which is identified on Exhibit 2 of the October 13, 2025 Temporary Investigative Group report, this legislation directly impacts my property rights.

Creating new H3 and H4 zoning districts that function on a "like-for-like" basis with existing A1 and A2 development standards is a crucial step forward for our community.

During the previous deliberations on Bill 9, at least seven councilmembers specifically expressed their explicit support for creating these new zoning districts.

Now that Bill 9 has officially passed, the time has come for those councilmembers to honor their statements. I urge the committee to vote yes and pass Bill 88 clean to establish these necessary zones without delay.

Thank you for your time, leadership, and consideration of this matter.

Sincerely,
Joseph Goldberg
Owner of a unit in the Papakea

HLU Committee

From: Niccole Modell <niccole.modell@gmail.com>
Sent: Monday, May 25, 2026 3:09 AM
To: HLU Committee
Subject: Bill 88 testimony

You don't often get email from niccole.modell@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

My family owns a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Mahalo for considering my testimony,

Niccole Modell

HLU Committee

From: Yvonne Jones <yvonnejones1@icloud.com>
Sent: Monday, May 25, 2026 4:13 AM
To: HLU Committee
Subject: Need for zoning additions

[You don't often get email from yvonnejones1@icloud.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

Zoning categories are needed to clarify property rights of historically short term properties. We need to provide clear, predictable standards to define the status and use of of these holdings. The creation of H-3 and H-4 zoning categories appears to be our only recourse. Along with defining standards we need to delineate a clear process by which owners can qualify for inclusion in the category. Presumptive lists without these will create future legal problems.
Sent from my iPad Yvonne Jones

HLU Committee

From: ervin mcgrath <ervinmmcgrath@hotmail.com>
Sent: Monday, May 25, 2026 7:17 AM
To: HLU Committee
Cc: joyce mcgrath
Subject: Testimony Re Bill 88 H-3 And H-4 Hotel Districts

[You don't often get email from ervinmmcgrath@hotmail.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

Aloha Chair U'u-Hodgins and Committee Members My wife, Joyce McGrath, and I (Ervin McGrath) have owned a unit at Hale Kai O'Kihei in Kihei for 15 years. We are concerned about Bill 88 and its plan to create new H-3 and H-4 hotel zoning districts.

We respectfully ask the committee to :

1. Affirm Bill 88 does not waive any vested rights or lawful uses.
2. Ensure any H3/H4 process is grounded in objective, evidence-based criteria.
3. Guarantee consistent treatment for all similarly situated properties.
4. Make sure the process is fair, lawful and honours logic, established rules and respects the people who relied on these rules in good faith.
5. Recognize the properties which are not realistic work force housing due to location, Ownership structure, age, insurance issues, financing limitations and reserve study requirements.

Mahalo for your careful attention and considering how deeply this issue impacts both homeowner and the integrity of our community's laws.

Ervin and Joyce McGrath
Owners, Hale Kai O'Kihei
1310 Uluniu Road
Kihei, Maui
Hawaii
Ervin McGrath
Sent from my iPhone

HLU Committee

From: Darrell Ball <darrelloball@gmail.com>
Sent: Monday, May 25, 2026 9:20 AM
To: HLU Committee
Subject: Rezoning on Maui

You don't often get email from darrelloball@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Sincerely,

Darrell O. Ball
darrelloball@gmail.com
cell-647-208-2107

HLU Committee

From: Lowell Schmidt <lpjschmidt@shaw.ca>
Sent: Monday, May 25, 2026 10:40 AM
To: HLU Committee
Subject: My testimony re Bill 88

You don't often get email from lpjschmidt@shaw.ca. [Learn why this is important](#)

Aloha Chair U'u-Hodgins and Committee Members

My late wife Irene Schmidt, and I (Lowell Schmidt) have owned a unit at Hale Kai O'Kihei in Kihei for 26 years.

Bill 88 is of great concern for me. The plan to create new H-3 and H-4 hotel zoning districts is misguided.

BUT FIRST

I want to be very clear: **nothing in this testimony should be understood as a waiver, concession, or abandonment of any legally vested rights, nonconforming use rights, constitutional rights, statutory rights, equitable rights, or claims held by me, Hale Kai O'Kihei owners, or similarly situated owners.** By participating in this process, I am not agreeing that Maui County has lawfully extinguished existing transient vacation rental rights, nor am I agreeing that a new zoning district is legally required in order for historically lawful transient vacation rental use to continue.

I respectfully ask the committee in this Testimony to :

1. Affirm Bill 88 does not waive any vested rights or lawful uses as stated above.
2. Ensure any H3/H4 process is grounded in objective, evidence-based criteria.
3. Guarantee consistent treatment for all similarly situated properties.
4. Make sure the process is fair, lawful and honours logic follows established rules and respects the laws I relied on as the rules when I purchasing in good faith in 2000 .
5. Recognize the properties such as HKOK which are not realistic work force housing due to location, Ownership structure, age, insurance issues, financing limitations and reserve study requirements.

Mahalo for your careful attention and considering how deeply this issue impacts both homeowner and the integrity of our community.

Lowell Schmidt
Owner 108, Hale Kai O'Kihei
1310 Uluniu Road
Kihei, Maui
Hawaii

HLU Committee

From: Thiele, Stephen <sthiele@grllp.com>
Sent: Monday, May 25, 2026 1:25 PM
To: HLU Committee
Subject: May 26, 2026 HLU meeting

You don't often get email from sthiele@grllp.com. [Learn why this is important](#)

Aloha,

Please accept this email as my submission in regard to Bill 88, which I understand is being discussed at the HLU meeting tomorrow, May 26, 2026.

I am owner of a unit at Kamaole Sands in Kihei.

I fully support Maui County's efforts to create H3 and H4 zoning, which I understand is supported by Maui County's Planning Department.

Mahalo,
Stephen



Stephen Thiele • Partner

Gardiner Roberts LLP

Bay Adelaide Centre - East Tower, 22 Adelaide St W, Ste. 3600, Toronto, ON M5H 4E3

T 416.865.6651 | F 416.865.6636 | E sthiele@grllp.com

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HLU Committee

From: Shahbano Agha <banoagha@hotmail.com>
Sent: Monday, May 25, 2026 1:29 PM
To: HLU Committee
Subject: Testimony Re: Bill 88

You don't often get email from banoagha@hotmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your consideration in this matter

Sincerely,
Shahbano Agha

HLU Committee

From: Matt Chierek <generalmanager@wcamaui.com>
Sent: Monday, May 25, 2026 1:34 PM
To: HLU Committee
Subject: WCA H3-H4 Letter of Support
Attachments: WCA H3-H4 letter of support.pdf

You don't often get email from generalmanager@wcamaui.com. [Learn why this is important](#)

Aloha,

I would like to please submit the attached testimony for tomorrow's meeting.

Thank you, Matt

Matt Chierek | General Manager
CMCA - AMS - PCAM

Wailea Community Association
808-874-6866 ext 101
Generalmanager@wcamaui.com





May 22, 2026

Maui County Council
Housing & Land Use Committee
County of Maui
Wailuku, Hawaii

RE: Support for Proposed H3/H4 Amendments to Bill 9

Aloha Chair and Members of the Housing & Land Use Committee,

On behalf of the Wailea Community Association (WCA), I am writing in support of the proposed H3/H4 amendments to Bill 9.

The WCA represents a large master-planned resort and residential community in South Maui comprised of residential neighborhoods, hotels, commercial properties, and long-established visitor-related uses. As such, we believe the proposed H3/H4 amendments provide a fair, balanced, and practical approach that recognizes the unique planning history and long-standing land use framework that exists within communities such as Wailea.

Wailea was intentionally designed and master planned as an integrated resort and residential community. Certain residential properties have functioned within that visitor-residential framework for decades, and the proposed amendments appropriately recognize that historical and planning context.

Many affected property owners purchased, developed, and invested in their properties in reliance upon decades of existing County zoning, approvals, and visitor accommodation policies. The proposed amendments help provide clarity and reasonable exemptions for legally established properties and uses that have historically operated within these frameworks.

We respectfully ask the Committee to support the H3/H4 amendments as a reasonable and balanced approach that helps protect existing communities while Maui continues working toward sustainable housing solutions for the future.

Thank you for your consideration and continued service to the County of Maui.

Sincerely,

A handwritten signature in blue ink that reads "Matt Chierek".

Matt Chierek
General Manager
Wailea Community Association

HLU Committee

From: JOHN DiCARO <JDiCaro@JSHFIRM.com>
Sent: Monday, May 25, 2026 2:05 PM
To: HLU Committee
Cc: Mary (madicaro@aol.com); JOHN DiCARO
Subject: Email Supporting the Creation Of H3 and H4 Zoning Districts.

You don't often get email from jdicaro@jshfirm.com. [Learn why this is important](#)

Chair U'u-Hodgins, Vice Chair Batangan, andj members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you

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HLU Committee

From: Mary DiCaro <madicaro@aol.com>
Sent: Monday, May 25, 2026 2:10 PM
To: HLU Committee
Subject: Yes, on Bill 88

You don't often get email from madicaro@aol.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2, which is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support the passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards.

During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you,

Mary DiCaro

HLU Committee

From: KMV Properties <kmvprop@yahoo.com>
Sent: Monday, May 25, 2026 2:40 PM
To: HLU Committee
Subject: Bill 88 testimony

You don't often get email from kmvprop@yahoo.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your consideration

Kim Vernor

KMV Properties, LLC
4000 Pimlico Dr. Suite 114, PMB 177
Pleasanton, CA 94588
(925) 377-8502 Voicemail
kmvprop@yahoo.com

HLU Committee

From: Cathy Bartlett <cathydoreen@gmail.com>
Sent: Monday, May 25, 2026 4:10 PM
To: HLU Committee
Subject: Bill 88 Testimony

You don't often get email from cathydoreen@gmail.com. [Learn why this is important](#)

Aloha Chair U'u-Hodgins and Members of the Housing and Land Use Committee,

My name is Cathy Bartlett and I am an owner at Hale Kai O'Kihei.

I submit this testimony regarding Bill 88 to protect our long-standing, legally established property rights.

Participating in this process does not waive any of our legally vested, nonconforming use, or constitutional rights. Per HRS § 46-4(a) and Hawai'i case law, the County cannot lawfully extinguish historically allowed transient vacation rental (TVR) uses simply by changing the zoning code.

The County already has a mechanism to recognize these uses within the existing A-1 and A-2 frameworks. Creating new H-3 and H-4 zones is unnecessary to protect historic TVRs, as the criteria for lawful existence are already well-established.

If the County insists on moving forward with Bill 88, the process must be objective, transparent, and fair, rather than a discretionary political tool. Rezoning decisions must be based on clear facts, including vested rights, tax history, and a property's historic visitor use.

This is especially critical for older oceanfront condominiums like Hale Kai O'Kihei. These properties face high maintenance, insurance, and flood costs, making them entirely unrealistic choices for affordable workforce housing.

Furthermore, the County's position contains a major policy contradiction. If these oceanfront properties are considered too vulnerable to climate change and sea level rise to host visitors, they are equally unsafe and unsuitable for local families. Pushing long-term tenants into vulnerable coastal zones is dangerous and exposes the County to severe liability.

If the County proceeds with H-3 and H-4 districts instead of honoring our existing A-1 and A-2 rights, it must ensure the application process is not arbitrary. Please avoid adding backdoor conditions—such as shoreline armoring restrictions or parking mandates—that bypass due process. I urge the Committee to protect vested property owners and ensure equal treatment for all qualifying properties.

Sincerely,

Cathy Bartlett

HLU Committee

From: Michael Kastner <mrkastner@outlook.com>
Sent: Monday, May 25, 2026 5:05 PM
To: HLU Committee
Cc: Michael Kastner
Subject: Testimony on Bill 88 (2026), amending the Comprehensive Zoning Ordinance to establish the H-3 and H-4 Hotel Districts (HLU-16)

You don't often get email from mrkastner@outlook.com. [Learn why this is important](#)

Aloha Chair U'u-Hodgins and Committee Members,

My name is Michael Kastner and I am a 2nd-generation owner of an apartment unit at Hale Kai O'Kihei in west Maui. My family has been owners in Maui since 1969, and I appreciate your diligent service to the community. When considering Bill 88 (2026) and its plan to create new H-3 and H-4 Hotel Districts, I respectfully request the Committee to consider the following:

- a) Affirm that Bill 88 (2026) does not waive, eliminate, or limit any vested rights or lawful use rights.
- b) Ensure that any H-3/H-4 process is rooted in objective evidence-based criteria.
- c) Guarantee that all similarly situated properties receive consistent treatment.
- d) Ensure that the process is fair and lawful with clearly defined rules for all owners and those affected.
- e) Recognize the properties which are not realistic work force housing due to their location, building age, sea-level-rise issues, ownership structure, financing limitations, and Reserve Study requirements.

Mahalo nui loa for your service and careful consideration on this issue as it will impact both homeowners and the integrity of our community's laws.

Respectfully submitted,

Michael R. Kastner
Owner, Hale Kai O'Kihei
1310 Uluniu Road
Kihei, Hawaii

HLU Committee

From: Ron Sedlic <ronsedlic@gmail.com>
Sent: Monday, May 25, 2026 7:12 PM
To: HLU Committee
Subject: RE: Testimony H3/H4

You don't often get email from ronsedlic@gmail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Regards

Ron Sedlic

Sent from my iPhone

HLU Committee

From: samengeljr@charter.net
Sent: Monday, May 25, 2026 9:17 PM
To: HLU Committee
Subject: Testimony -- Bill 88
Attachments: Testimony 5-25-2026.pdf

You don't often get email from samengeljr@charter.net. [Learn why this is important](#)

May 25, 2026

Honorable Nohelani U'u-Hodgins
Honorable Kauanoë Batangan

Dear Chair U'u-Hodgins, Vice Chair Batangan, and Members of the Housing and Land Use Committee:

My wife and I own a condominium that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13th, 2025, Temporary Investigative Group (TIG) report. We have been actively engaged in the public review process of Bill 9 throughout its legislative life by submitting reasoned testimony at nearly every opportunity and observing public participation and Council deliberations throughout this lengthy process.

We support passage of Bill 88 “clean” to create new H3 and H4 zoning districts that allow for short-term rentals but are “like-for-like” with the development standards in the A1 and A2 zoning districts.

During deliberations on Bill 9, seven councilmembers stated their support for the creation of these new zoning districts. Now that Bill 9 has passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones, and hopefully all Councilmembers, to vote yes and pass Bill 88 without amendments or changes.

This is the equitable and thoughtful action needed by the Council at this time and we are requesting the Housing and Land Use Committee make this recommendation.

A PDF of this communication is attached for your file.

Sam Engel



Virus-free. www.avg.com

May 25, 2026

Honorable Nohelani U'u-Hodgins
Honorable Kauanoë Batangan

Dear Chair U'u-Hodgins, Vice Chair Batangan, and Members of the Housing and Land Use Committee:

My wife and I own a condominium that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13th, 2025, Temporary Investigative Group (TIG) report. We have been actively engaged in the public review process of Bill 9 throughout its legislative life by submitting reasoned testimony at nearly every opportunity and observing public participation and Council deliberations throughout this lengthy process.

We support passage of Bill 88 "clean" to create new H3 and H4 zoning districts that allow for short-term rentals but are "like-for-like" with the development standards in the A1 and A2 zoning districts.

During deliberations on Bill 9, seven councilmembers stated their support for the creation of these new zoning districts. Now that Bill 9 has passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones, and hopefully all Councilmembers, to vote yes and pass Bill 88 without amendments or changes.

This is the equitable and thoughtful action needed by the Council at this time and we are requesting the Housing and Land Use Committee make this recommendation.

Sam Engel

HLU Committee

From: Lynn <lynnglidden@ymail.com>
Sent: Tuesday, May 26, 2026 4:49 AM
To: HLU Committee
Subject: Bill 88

You don't often get email from lynnglidden@ymail.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

My name is Lynn Glidden, my husband and I own a condo at Papakea Resort that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report. I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 councilmembers specifically expressed support for the creation of these new zoning districts. Now that Bill 9 is passed, the time has come for those councilmembers who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Sincerely,

Lynn and Pete Glidden

Sent from my iPhone

HLU Committee

From: Craig Franzen <franz7one@icloud.com>
Sent: Tuesday, May 26, 2026 5:27 AM
To: HLU Committee
Subject: Testimony from Susan Franzen Regarding Bill 88

You don't often get email from franz7one@icloud.com. [Learn why this is important](#)

Dear Chair U'u-Hodgins, Vice Chair Batangan, and members of the Housing and Land Use Committee:

I own a condo that is currently zoned A2/H2 that is identified on Exhibit 2 from the October 13, 2025 Temporary Investigative Group report.

I support passage of Bill 88 clean to create new H3 and H4 zoning districts that are "like-for-like" with the A1 and A2 development standards. During deliberations on Bill 9, at least 7 council members specifically expressed support for the creation of these new zoning districts.

Now that Bill 9 is passed, the time has come for those council members who expressed support for creation of H3 and H4 zones to vote yes and pass Bill 88 clean.

Thank you for your consideration of my testimony.

Susan Franzen
Papakea G306

HLU Committee

From: fredgreen425@gmail.com
Sent: Tuesday, May 26, 2026 7:20 AM
To: HLU Committee
Subject: Bill 88, H-3 and H-4 Hotel Districts

You don't often get email from fredgreen425@gmail.com. [Learn why this is important](#)

To: Maui County Council

Re: Testimony Regarding Bill 88, H-3 and H-4 Hotel Districts

Dear Chair and Members of the Housing and Land Use Committee,

I respectfully submit this testimony regarding Bill 88 and the proposed H-3/H-4 zoning framework for properties with long-standing lawful short-term rental use.

I support the creation of a fair and transparent zoning pathway for properties that have historically operated as lawful short-term rentals. However, simply creating H-3 and H-4 zoning classifications is not sufficient if no clear and equitable process exists for qualifying properties to participate.

The Council should ensure that all similarly situated properties are treated fairly and consistently. Any eligibility standards for H-3 or H-4 zoning should be based on objective and transparent criteria rather than selective or arbitrary determinations. The County already possesses substantial information regarding properties with long-standing lawful short-term rental use, and individual AOAOs or owner groups should not be forced to bear the entire burden of navigating a costly and uncertain application process on their own.

Accordingly, I urge the Council to establish a Council-initiated pathway for qualifying properties rather than requiring each property to independently petition for consideration. It is important that the County not create an incomplete or selective list that favors certain complexes while excluding others that are similarly situated.

In addition, the H-3/H-4 pathway must remain realistic and usable. If the process is burdened by impractical requirements or unattainable conditions, it will fail to provide meaningful relief or certainty for affected property owners.

The Council should also recognize that properties such as Hale Kai O'Kihei and similarly situated complexes are not realistic workforce housing solutions. Their locations, ownership structures, carrying costs, flood exposure, insurance challenges, and financing limitations make such conversions economically and practically unworkable.

Finally, any participation in the H-3/H-4 process must fully preserve all owners' legal rights. Property owners should not be required, either explicitly or implicitly, to waive vested rights, constitutional protections, legal claims, or objections related to Bill 9 as a condition of participation.

I respectfully ask the Council to adopt a fair, objective, and non-discriminatory process that provides equal treatment for all qualifying properties while protecting the legal rights of property owners.

Thank you for your consideration and service to the people of Maui County.

Respectfully submitted,

Fred Green
Owner, Hale Kai O'Kihei

HLU Committee

From: County Clerk
Sent: Tuesday, May 26, 2026 7:44 AM
To: HLU Committee
Subject: FW: May 26 H3/H4 Land Use Committee meeting testimony

From: John Chaisson <John@atomicbudz.com>
Sent: Sunday, May 24, 2026 9:26 AM
To: County Clerk <County.Clerk@mauicounty.us>
Subject: May 26 H3/H4 Land Use Committee meeting testimony

You don't often get email from john@atomicbudz.com. [Learn why this is important](#)

[Land Use Comittee May 26.docx](#) [TIG Report Response for Maui Planning Commission Revised 5-24-26.docx](#)

Mahalo

Good Morning Maui County Council Members,

My name is John Chaisson and I am a 20 year owner of Maui Sands .I
I am here today to support Bill 88 and the creation of H3/H4 zoning.
This will provide jobs to local economy and the creation of this new
zoning will allow certain A1/A2 properties with current tvr status to
transition to H3/H4/ to continue short term rentals.

The TIG Report identifies the conditions by which an A1/A2 property
can transition to H3/H4. These conditions identify whether a
property is appropriate and attainable as affordable housing. The
properties listed on TIG/Exhibit 2 list are identified as not
appropriate for affordable housing because of the conditions they
present. These issues identified by the TIG report include whether it
is a lease hold, are the monthlies are affordable, whether or not the
property lies within the Sea-Rise Impact zone, whether there are
legal issues with the property are some areas of concern the TIG
addressed. Please pass Bill 88

Maui Sands I meets all the TIG criteria to be included on Exhibit 2
and then some being a lease hold property, a land lease so short it
does not qualify for a mortgage, \$3000 monthlies, located in the
middle of the sea rise impact zone, and missing land lease
payments My presentation I emailed for this hearing has the
receipts that support Maui Sands is not an attainable affordable
property with all the issues exist with Maui Sands 1. I am asking the
Housing Land Use Committee and Maui County Council, when
appropriate, to please include us on the Exhibit 2 for the council
initiated zoning change. Mahalo for your time.

Dear Honorable Maui County Council and the Housing and Land Use Committee,

I write to you today in hopes of correcting a possible oversight of Maui Sands I.

Based on the criteria of the TIG Report, Maui Sands I meets ALL of the requirements identified by the TIG Report to be a unattainable property to buy or rent as an affordable property for local residents. Here we are providing itemized and actual documentation to support this.

Therefore we are asking for an amendment from the Maui Planning Council to be included on the county initiated zoning change for the Exhibit 2 list. All our neighbors to the left and right of us, including Maui Sand 2 is on Exhibit 2 list. We feel that we may have been inadvertently left off and ask Maui County Council to include us in the county initiated zoning change A2 to H3/H4.

If H3/H4 is passed here are the reasons why to include us in the county initiated zoning change.

1. We are a lease hold property
2. No one can get a mortgage for Maui Sands I because the land lease is too short
3. We have very high monthlies – approx. \$3000
4. We sit in the middle of the sea-rise impact zone identified by the State of Hawaii
5. We have lease hold payment issues with our lease hold owners

Below is a snippet from Maui County Property Records of my condo confirming Maui Sands is a lease hold property.

Parcel Information

Parcel Number 440010520054
Location Address 3559 LOWER HONOAPIILANI RD UNIT VIF
LAHAINA HI 96761
Neighborhood Code C436
Legal Information APT VI-F MAUI SANDS CM 14 & 35TOG/PS VI-F AND STORAGE LOCKER
VI-FUND 1/56TH INT IN COMM ELEM
Land Area
Zoning A2 - A-2 Apartment
Parcel Note

Damage

Reentry Zone
Zone Color

Owner Information

Owner Names
HARRY & JEANETTE WEINBERG FOUNDATION INC Fee Owner
CHAISSON JOHN JOSEPH Sub-Lessee
PENINSULA DEV HAWAII TRUST Lessee
ROBINSON MAUI SANDS PARTNERSHIP Fee Owner
[Show All Owners and Addresses](#)

Mailing Address
[HARRY & JEANETTE WEINBERG FOUNDATION INC](#)



Information

For questions regarding:-
- Clerical (exemptions, mailing address, land class) (808)270-7871
- Compliance (Ag use and ded) (808) 270-7295
- Tax Maps (Ownership, new tmk's, map orders) (808)270-7226
- Appraisal (Property Values) (808)270-7798
RPA@co.maui.hi.us
- Tax bills and Circuit Breaker: (808) 270-7697
Maui.rpt@co.maui.hi.us
Website

The TIG report states that properties with market values not attainable by Maui Residents would be appropriate to continue TVR uses. Even with lowered property values, Maui Sands is unattainable and not attractive as affordable housing because of the many issues presented here.

LEASE HOLD, MORTGAGE, TOTAL COST OF OWNERSHIP AND ISSUES

In this section we cover interrelated issues. Mortgage, Land Lease, Land Lease Monthly Cost, HOA Monthly Cost/Flood Insurance, Below we have provided email from BOH VP Loan Officer and Loan Depot that indicates we cant get a loan; our last leasehold negotiation letter from Monarch with payment and land values and monthly cost of leasehold for each unit;

Mortgage: I have reached out to Bank of Hawaii. Given our current situation, the VP loan officer sent the following email back to my inquiry. Maui Sands does not meet the criteria to get a real estate loan. Banks like to see a loan 5 years past the leasehold expiration. For example on a 30 year, 20 year and 10 year loan, you have to add 5 years past that date for banks to even consider financing a leasehold property. It is 2026 and for a 30 year loan, the leasehold would have to expire in 2061 (2026 + 30 years + 5 years). For a 20 year loan, the leasehold would have to expire 2051. For a 10 year loan, the leasehold would have to expire on 2046. Our lease hold expires 2037.

We have no time left on our leasehold to get a loan as confirmed by VP loan officer from BANK OF HAWAII. All Maui Sands l properties would have to be bought with cash.

I have reached out to Bank of Hawaii and Loan Depot. Given our current situation, the both loan officers sent the following email back to my inquiry. Maui Sands does not meet the criteria to get a real estate loan because of the short land lease.

BANK OF HAWAII VP OF MORTGAGES EMAIL:

Hi John, As discussed, since the building has 11 years left on the lease, the max loan term would be 6 years. And we don't do 6 year loan terms. We wouldn't be able to finance this property. Thank you, Brenda

The screenshot shows an email interface with the following content:

RE: maui loan

Mitchell, Brenda <Brenda.Mitchell@boh.com>
To: John Chaisson

Hi John,

As discussed, since the building has 11 years left on the lease, the max loan term would be 6 years. And we don't do 6 year loan terms. We wouldn't be able to finance this property.

Thank you,
Brenda

Brenda Gross Mitchell
Vice President & Senior Executive Loan Officer
Bank of Hawaii - Mortgage Banking Division
NMLS ID # 669920

4634 Kilauea Avenue, 2nd Floor
Honolulu, HI 96816
P (808) 694-7454 C (808) 286-2656 F (808) 733-7456
Brenda.Mitchell@boh.com | boh.com | Apply with me on SimpliFi

SimpliFi
BANK OF HAWAII

CONFIDENTIALITY NOTICE: The information contained in this e-mail transmission and any attachment is confidential and remains the property of Bank of Hawaii until it is received by the intended recipient. If you are not the intended recipient, please note that use, further transmission or disclosure of this communication is strictly prohibited. If you have received this communication in error, please notify postmaster@boh.com as soon as possible, and delete it from your computer without retaining any copies. Bank of Hawaii is a trade name of Bank of Hawaii.

From: John Chaisson <John@atomicbudz.com>
Sent: Friday, November 21, 2025 1:50 PM
To: Mitchell, Brenda <Brenda.Mitchell@boh.com>
Subject: [External] RE: maui loan

You don't often get email from John@atomicbudz.com. Learn why this is important

LOAN DEPOT BRANCH MANAGER OF MORTGAGES:

Hi John,

All loans that are secured by leasehold property are required to have more than 5 years left on the lease.

Here is a link to the rules all lenders use for leaseholds:

<https://selling-guide.fanniemae.com/sel/b2-3-03/special-property-eligibility-and-underwriting-considerations-leasehold-estates>

Specifically, this portion:

- The lease must have an unexpired term that exceeds the maturity date of the loan by five (5) years or more.

A 7 year loan would have a very large payment, but I couldn't find any to offer you, knowing its much worse than your current loan.

There are no 5 year balloons available as they were regulated away back in 2012. This is covered here: <https://selling-guide.fanniemae.com/sel/b2-1.5-02/loan-eligibility>

From what I see, you have **two options**:


1. **get the lease extended**
 - a. ideally until after 2060 so you can get 30 year loans
 - b. 2025 + 30yr maturity + 5yr buffer = 2060
2. **Sell and use money to buy something else**




Gavin Walker

NMLS #71223

Branch Manager

 (425) 898-5111 – office

 (206) 790-4843 – mobile

 gavinwalker@loandepot.com

 <https://www.loanDepot.com/gavinwalker>

APPLY NOW

Yearly tax base loss for Maui County:

The total TVR-STRH property tax owed for 2025 to Maui County is \$532,556.07. If those were converted to Owner Occupied Units total property tax owed to Maui County would be drop to \$29,904.16 each year. **This would be a loss to Maui County Property Tax of \$502,651.91 per year.**

Our monthlies are approx. \$3000 with the land lease and HOA fees which makes Maui Sands I unattainable affordable housing for local residents. Below is the breakdown of our land lease payments. One Bedroom ranges \$774.23 to \$855.25. Two bedroom range from \$1018.08 to \$1378.95. We are in the middle of the land lease purchase.

MAUI SANDS									
New Weinberg & New Robinson Lease Rent includes Peninsula									
New Apartment Lease Rents: 7/1/2017 - 6/30/2027									
Unit Number	Lease Rent Proportion	New Weinberg Monthly Apartment Lease Rent ^[1] <small>(incl Peninsula 12.5% override)</small>	New Robinson Monthly Apartment Lease Rent ^[2] <small>(incl Peninsula 12.5% override)</small>	Additional Monthly Apartment Lease Rent ^[3]	Total New Monthly Apartment Lease Rent without GET ^[4]	Total New Monthly Apartment Lease Rent with GET ^[5]	Total Old Monthly Apartment Lease Rent with GET ^[5]	Total Additional Rent Due through 10/31/2018	
2D	1.41480%	\$277.30	\$495.18	\$5.24	\$777.72	\$810.12	\$774.23	\$574.24	
1F 2A	1.45710%	\$285.59	\$509.99	\$5.40	\$800.98	\$834.35	\$797.39	\$591.36	
2H	1.47825%	\$289.74	\$517.39	\$5.48	\$812.61	\$846.46	\$808.96	\$600.00	
3A 3F 6A 6D	1.49940%	\$293.88	\$524.79	\$5.55	\$824.22	\$858.56	\$820.54	\$608.32	
1G 1M 2E	1.52055%	\$298.03	\$532.19	\$5.63	\$835.85	\$870.67	\$832.11	\$616.96	
3G 3M 6E 6H	1.56285%	\$306.32	\$547.00	\$5.79	\$859.11	\$894.90	\$855.25	\$634.40	
1B 1C 1D 1E 2B 2C	2.09351%	\$410.33	\$732.73	\$7.75	\$1,150.81	\$1,198.75	\$1,145.66	\$849.44	
3B 3C 3D 3E 6B 6C	2.13581%	\$418.62	\$747.53	\$7.91	\$1,174.06	\$1,222.97	\$1,168.81	\$866.56	
1H 1J 1K 1L 2F 2G	2.17384%	\$426.07	\$760.84	\$8.05	\$1,194.96	\$1,244.74	\$1,189.62	\$881.92	
3H 3J 3K 3L 6F 6G	2.21614%	\$434.36	\$775.65	\$8.21	\$1,218.22	\$1,268.97	\$1,212.77	\$899.20	
4B 4C 5B 5C	2.26260%	\$443.47	\$791.91	\$8.38	\$1,243.76	\$1,295.58	\$1,238.19	\$918.24	
4F 4G 5F 5G	2.34293%	\$459.21	\$820.03	\$8.68	\$1,287.92	\$1,341.57	\$1,282.16	\$950.56	
4A 4D 5A 5D	2.42753%	\$475.80	\$849.64	\$8.99	\$1,334.43	\$1,390.02	\$1,328.44	\$985.28	
4E 4H 5E 5H	2.50853%	\$491.67	\$877.99	\$9.29	\$1,378.95	\$1,436.40	\$1,372.77	\$1,018.08	
55 Units	112.5%	\$22,049.99	\$39,375.06	\$416.65	\$61,841.70	\$64,417.99	\$61,564.86	\$45,650.08	

Notes:
 [1] Master Lease rent: 50,282 sf (land area) X \$77.93/sf (land value) = \$3,920,000 (rounded project land value) X 6% (rate of return) = \$235,200 annual lease rent.
 [2] Master Lease rent: 70,188 sf (land area) X \$99.73/sf (land value) = \$7,000,000 (project land value) X 6% (rate of return) = \$420,000.00 annual lease rent.
 [3] \$5,000 additional rent owed in Master Lease. Over and above, and in addition to, all other rents provided under the Sublease.
 [4] Total apartment lease rent including Peninsula (aggregate 112.5% of master lease rent).
 [5] 4.166% General Excise Tax included.

This is a copy of my monthly HOA dues and maintenance fees at \$1647.39. Everyone pays this fee every month. Maui Sands is 60 years old and the maintenance effort and cost is large.

Maui Sands Association
 Destination Maui, Inc.
 380 Huku Li'i Place, Suite 206
 Kihei, HI 96753

Code	Date	Amount	Balance	Check#	Memo
Payment	5/3/2024	-1,647.39	0.00	8420755	DMUCABLB 050324.CAB
Maintenance	6/1/2024	1,647.39	1,647.39		Maintenance
Payment	6/5/2024	-1,647.39	0.00	8373124	DMUCABLB 060524.CAB
Maintenance	7/1/2024	1,647.39	1,647.39		Maintenance
Payment	7/5/2024	-1,647.39	0.00	8146035	DMUCABLB 070524.CAB
Maintenance	8/1/2024	1,647.39	1,647.39		Maintenance
Payment	8/5/2024	-1,647.39	0.00	8884858	DMUCABLB 080524.CAB
Maintenance	9/1/2024	1,647.39	1,647.39		Maintenance
Payment	9/5/2024	-1,647.39	0.00	8707802	DMUCABLB 090524.CAB
Maintenance	10/1/2024	1,647.39	1,647.39		Maintenance
Payment	10/4/2024	-1,647.39	0.00	8421772	DMUCABLB 100424.CAB
Maintenance	11/1/2024	1,647.39	1,647.39		Maintenance
Payment	11/5/2024	-1,647.39	0.00	8600321	DMUCABLB 110524.CAB
Maintenance	12/1/2024	1,647.39	1,647.39		Maintenance
Payment	12/5/2024	-1,647.39	0.00	8452180	DMUCABLB 120524.CAB
Maintenance	1/1/2025	1,692.83	1,692.83		Maintenance
Payment	1/3/2025	-1,692.83	0.00	8058408	DMUCABLB 010325.CAB
Maintenance	2/1/2025	1,692.83	1,692.83		Maintenance
Payment	2/3/2025	-1,692.83	0.00	8063971	DMUCABLB 020325.CAB
Maintenance	3/1/2025	1,692.83	1,692.83		Maintenance
Payment	3/3/2025	-1,692.83	0.00	8971371	DMUCABLB 030325.CAB
Maintenance	4/1/2025	1,692.83	1,692.83		Maintenance
Payment	4/3/2025	-1,692.83	0.00	8107493	DMUCABLB 040325.CAB
Maintenance	5/1/2025	1,692.83	1,692.83		Maintenance
Payment	5/2/2025	-1,692.83	0.00	8049881	DMUCABLB 050225.CAB
Maintenance	6/1/2025	1,692.83	1,692.83		Maintenance
Payment	6/3/2025	-1,692.83	0.00	8999083	DMUCABLB 060325.CAB
Maintenance	7/1/2025	1,692.83	1,692.83		Maintenance
Payment	7/3/2025	-1,692.83	0.00	8066927	DMUCABLB 070325.CAB
Maintenance	8/1/2025	1,692.83	1,692.83		Maintenance
Payment	8/1/2025	-1,692.83	0.00	8548278	DMUCABLB 080125.CAB
Maintenance	9/1/2025	1,692.83	1,692.83		Maintenance
Payment	9/3/2025	-1,692.83	0.00	8757899	DMUCABLB 090325.CAB
Maintenance	10/1/2025	1,692.83	1,692.83		Maintenance
Payment	10/3/2025	-1,692.83	0.00	8856555	DMUCABLB 100325.CAB
Maintenance	11/1/2025	1,692.83	1,692.83		Maintenance
Payment	11/3/2025	-1,692.83	0.00	8639354	DMUCABLB 110325.CAB

Balance: 0.00

This is our 2018 land lease monthly payment negotiation update for owners. Back in 2018 the two pieces of land was valued at \$10,920.00 back then. Current value is much higher as we try to negotiate the land lease purchase.

Maui Sands AOA

c/o Associa Hawaii
375 Huku Li'i Place #207
Kihei, HI 96753

September 20, 2018

Aloha Maui Sands Owners,

The Robinson land lease arbitration process has been completed and we can now share with you the lease amounts for the current 10-year period ending June 30, 2027.

Background:

As you are aware, Maui Sands leases two parcels of land from two different owners. The property that borders the road is owned by the Weinberg Foundation and the waterfront parcel is owned by the Robinson family. Both land leases currently extend through July 2037 and, under the terms of the lease, the lease rent rates were to be revised for the current 10-year period. The leases are bundled together in a "sandwich lease" arrangement, managed by Peninsula Properties, a successor company to the original development entity.

The Weinbergs extended their land lease at the same rates as the previous 10-year period over a year ago. However, the Robinsons initially wanted a much higher increase than we were prepared to accept. Your Board held firm that due to the seawall issues and Robinson's refusal to assist in that, we could not agree to this higher lease rent increase. Robinsons refused to budge nor would we, and so arbitration became necessary. This was a lengthy process over the past several months and the outcome is much better than what the Robinsons originally proposed for us.

The new lease amounts:

Each unit will be paying an increase of between \$32 to \$57 per month beginning November 1, 2018 (but retroactive to the end of the previous lease rent agreement of 7/1/17). The amount depends on the size and location of your unit based on a long-standing allocation formula.

More good news:

Minutes from a 1987 Annual Owners meeting were discovered in which it was agreed that Peninsula, the sandwich lease holders, would reduce their 25% surcharge to 12.5% beginning in July 2017. This is a considerable decrease from the 25% surcharge paid to Peninsula from 1992 until July 2017 and greatly affects our new payments making them much less of an increase for us!

A schedule of the new lease amounts for all Maui Sands' units is attached and is based on the following formula:

- **Weinberg:** \$235,200/year plus *\$5,000 (\$ 77.93 per sq. ft.) based on a land value of \$3,920,000 (rounded). * As part of the negotiations with Weinberg in the 1980's, Weinberg agreed to extending the lease for an annual "bonus" of \$5,000.

- **Robinson:** \$ 420,000/year (\$ 99.93 per sq. ft.) based on a land value of \$7,000,000.
- **Peninsula Surcharge:** Reduced from 25% to 12.5% of lease payments.

Retroactive “Catch Up” Payments:

As we have mentioned in previous letters and meetings, any lease rent increase would be retroactive to July 2017. Thus, in addition to the monthly increase, each unit will owe the difference between the previous monthly lease amount for the Robinsons and the new lease amount for the period from July 1, 2017 through October 31, 2018 (16 months) when we will begin paying the new lease amount.

Statements:

In addition to an individual mailing with your statement, you will be receiving a chart showing what each unit pays for lease (attached here also). Lease payments are subject to Hawaii’s GET (General Excise Tax), so the column that shows your new needed monthly payment amount is the **bold highlighted yellow** (or 3rd column from the left) labeled as “with GET”. **Note: Those on automated payment will have the new monthly fee withdrawn from your account on November 1, 2018.**

Monarch Properties handled the lease negotiations on behalf of our AOA and you will be receiving a mailing from them explaining the lease fee negotiations and the new fee amounts, as well. If you have any questions about the negotiations or how this amount was calculated, please contact Monarch Properties. Their contact information will be in the mailing you receive. We thank Monarch for once again doing a great job for us!

We are happy to have the lease fee negotiation completed for the next 10 years!

Maui Sands Board of Directors:

Karen Schoepp, President

David Bontorin, Secretary

Jean Rachkowski, Treasurer

Rosa McAllister and Mo Merheb, Directors

Below is our most current written summary for the leasehold purchase. Based on the cost of the land and the number of units Maui Sands has, it would roughly be \$196k to \$200K for each property unit. This is based on the two parcels valued at \$10,920,000.

Again based on the TIG Report, the land lease purchase would make Maui Sands | unattainable for local residents as affordable housing.

MONARCH PROPERTIES, INC.
LEASED-FEE REPRESENTATION PROGRAM

MAUI SANDS

Lease Issues Update

Keslie Hui (R)
September 2, 2025

The Board of Directors (“Board”) of the Association of Apartment Owners of Maui Sands (“AOAO”) hired Monarch Properties, Inc. (“MPI”) in 2010. Since then, MPI has represented the AOAO in its 2012 and 2017 lease rent renegotiations and has been helping the Board seek an acquisition of the leased-fee interests from the fee owners. We are currently in active discussions with the landowners to do a lease fee buy-out and would like to provide some background information and status of that process.

LESSORS

There are two master leases and 56 apartment subleases (“ASLs”), at the Maui Sands condominium project which means there are two fee owners and a sandwich interest owner as lessors.

The relationship between the fee owners and sandwich interest owner is contained in the two master leases. The relationship between the sandwich interest owner and the apartment owners are contained in the 56 individual ASLs.

The fee owners are the Robinson Maui Sands Partnership (“Robinson”) and the Harry & Jeanette Weinberg Foundation, Inc. (“Weinberg”), also known as master lessors, who own the leased-fee interest in the land. The leased-fee interest is the fee interest in the land and is subject to the master lease and ASLs. It has the reversionary interest in the land (surrender of the property at the end of the lease) and rights to income (part of the lease rent).

The sandwich interest owner is Peninsula Development Hawaii, Inc. (“Peninsula”) also known as the master lessee or sublessor. The sandwich interest is essentially a cash flow interest. It has income (part of the lease rent) but no real property ownership and it expires when the ASLs expire.

The ASLs appoint the AOA to renegotiate the master lease rent with the master lessors (Robinson and Weinberg) for the master lessee (Peninsula). It is fairer to have the AOA (who naturally wants the lowest amount) determine land value with the master lessors, rather than have the master lessors and master lessee do it themselves since both naturally want the highest amount.

There is one (1) remaining lease rent renegotiation date: 7/1/27. Lease expiration is 6/30/37.

RECAP OF PREVIOUS NEGOTIATIONS

In 2012, the AOA successfully renegotiated the new lease rent with Robinson and contracted for the purchase of Weinberg's leased-fee interest. However, the AOA was not able to secure financing of the acquisition of Weinberg's interest primarily as it was only for one of the two fee owner interests. The AOA had also offered to purchase Robinson's interest but the value Robinson was seeking at that time, combined with acquiring Weinberg and Peninsula's sandwich interest, would be too high to be financeable or feasible for the AOA and its owners. There were also other factors of concern at that time that lenders could not overlook.

In 2017, the lease fee negotiation with Weinberg resulted in the same lease rent for the previous five years. Negotiations with Robinson were not as simple as they chose to arbitrate the new rent for their parcels of land. The new rent with Robinsons was set in 2018 via an arbitration award.

CURRENT STATUS OF FEE CONVERSION OFFER

The AOA made a new, joint offer to both fee owners this summer. Robinson owns the oceanfront section of the property and is managed by five (5) General Partners, with a total of about 20 family partners. The roadside section of the property is owned by Weinberg.

The fee owners acknowledged receipt of the offer and most (but not all) of the relevant decision makers have expressed interest in further discussions about a possible sale to the AOA. Price and terms of the AOA's offer will be kept confidential at this time, as these matters are highly sensitive while we seek to engage the fee owners in a productive dialogue. Please keep in mind that the fee owners are under no obligation to sell, but we nonetheless believe that a sale and fee conversion at this juncture could be beneficial for all parties.

While the Board and I cannot guarantee you specific result or timeframe, we can assure you of our best efforts in the interests of the AOA and its leasehold members.

I will update you as soon as there is more to report. Meanwhile, if you have any questions, please feel free to contact me at keslie@mpi-hi.com.

We are an ocean front property. We have two buildings right behind the seawall and four other building behind those two building. This is the cost of the flood insurance every year. It goes up every year 5-9% as we are in the **Sea Rise Impact Zone defined by the State of Hawaii.**



A Stock Company
P.O. Box 33003
St. Petersburg, FL 33733-8003
Customer Service: 1-800-820-3242
Claims: 1-800-725-9472
FLOOD DECLARATIONS PAGE
RENEWAL
National Flood Insurance Policy

Policy Number	NFIP Policy Number	Product Type:
52 1151921250 05	1151921250	Residential Condominium Building Policy Form

Policy Period	Date of Issue	Agent Code	Prior Policy Number
From: 2/09/25 To: 2/09/26 12:01 am Standard Time	02/18/2025	0600305	FLD1190883

Agent (809)540-3333
BROWN & BROWN INSURANCE SERVICES INC
700 BISHOP ST STE 1400
HONOLULU HI 96813-4116
JOSIE.CERVANTES@BBROWN.COM

AOAO MAUI SANDS CONDO ASSN UNIT OWNERS
ATIMA CO DESTINATION MAUI INC
380 HUKU LII PL STE 206
KIHEI HI 96753-7043

Property Location (if other than above)
3559 LOWER HONOAPIILANI RD, BLDG 6, LAHAINA HI 96761
Address may have been changed in accordance with USPS standards.

Rating Information

Rate Category: Rating Engine
Primary Residence: N
Building Occupancy: Residential Condominium Building
Building Description: Entire Residential Condo Building

Flood Risk: AE
First Floor Height: 1.0 ft
Method Used to Determine First Floor Height: FEMA Determined
Date of Construction: 06/30/1969
Prior NFIP Claims: 0
Number of Units: 8
Replacement Cost Value: 1,694,000

Property Description: Slab on Grade, 2 floors

Coverage	Deductible	Annual Premium
BUILDING	\$1,694,000	\$24,784.00
CONTENTS NO CONTENTS COVERAGE	INSURED DECLINED CONTENTS COVERAGE	\$0.00

Your property's NFIP flood claims history can affect your premium. For more information contact your insurance agent or company.

ICC Premium: \$75.00
Community Rating Discount: \$11.00
FULL RISK PREMIUM: \$24,848.00
Statutory Discounts
Annual Increased Cap Discount: \$7,567.00
DISCOUNTED PREMIUM: \$17,261.00
Reserve Fund Assessment: \$3,111.00
Federal Policy Service Fee: \$376.00
HFIAA Surcharge: \$250.00
TOTAL ANNUAL PAYMENT \$21,018.00

THIS IS NOT A BILL

Premium Paid by: Insured

Forms and Endorsements:

FFL 99.310 0224 0224 WFL 99.416 1021 1021 FFL 99.117 1021 1021

This policy is issued by NAIC company 11523
Wright National Flood Insurance Company A stock company
Copy Sent To: As indicated on back or additional pages, if any.

Patricia Templeton-Jones
Patricia Templeton-Jones, President

060030552115192125025049

00004

Company



A Stock Company
P.O. Box 33003
St. Petersburg, FL 33733-8003
Customer Service: 1-800-820-3242
Claims: 1-800-725-9472
FLOOD DECLARATIONS PAGE
RENEWAL
National Flood Insurance Policy

Policy Number	NFIP Policy Number	Product Type:
52 1151817411 05	1151917411	Residential Condominium Building Policy Form

Policy Period	Date of Issue	Agent Code	Prior Policy Number
From: 2/09/25 To: 2/09/26 12:01 am Standard Time	02/18/2025	0600305	FLD1190880

Agent (809)540-3333
BROWN & BROWN INSURANCE SERVICES INC
700 BISHOP ST STE 1400
HONOLULU HI 96813-4116
JOSIE.CERVANTES@BBROWN.COM

AOAO MAUI SANDS CONDO ASSN UNIT OWNERS
ATIMA CO DESTINATION MAUI INC
380 HUKU LII PL STE 206
KIHEI HI 96753-7043

Property Location (if other than above)
3559 LOWER HONOAPIILANI RD, BLDG 3, LAHAINA HI 96761
Address may have been changed in accordance with USPS standards.

Rating Information

Rate Category: Rating Engine
Primary Residence: N
Building Occupancy: Residential Condominium Building
Building Description: Entire Residential Condo Building

Flood Risk: AE
First Floor Height: 1.0 ft
Method Used to Determine First Floor Height: FEMA Determined
Date of Construction: 06/30/1969
Prior NFIP Claims: 0
Number of Units: 12
Replacement Cost Value: 2,662,000

Property Description: Slab on Grade, 2 floors

Coverage	Deductible	Annual Premium
BUILDING	\$2,662,000	\$39,024.00
CONTENTS NO CONTENTS COVERAGE	INSURED DECLINED CONTENTS COVERAGE	\$0.00

Your property's NFIP flood claims history can affect your premium. For more information contact your insurance agent or company.

ICC Premium: \$75.00
Community Rating Discount: \$1,922.00
FULL RISK PREMIUM: \$37,177.00
Statutory Discounts
Annual Increased Cap Discount: \$10,073.00
DISCOUNTED PREMIUM: \$27,104.00
Reserve Fund Assessment: \$4,879.00
Federal Policy Service Fee: \$564.00
HFIAA Surcharge: \$250.00
TOTAL ANNUAL PAYMENT \$32,797.00

THIS IS NOT A BILL

Premium Paid by: Insured

Forms and Endorsements:

FFL 99.310 0224 0224 WFL 99.416 1021 1021 FFL 99.117 1021 1021

This policy is issued by NAIC company 11523
Wright National Flood Insurance Company A stock company
Copy Sent To: As indicated on back or additional pages, if any.

Patricia Templeton-Jones
Patricia Templeton-Jones, President

06003055211519174125049

00005

Company



MAINTENANCE SCHEDULE AND FEES

Maui Sands I is 60 years old and is ocean front property. As such the maintenance cost and effort is high. Maui Sands has and is dererring maintenance as we struggle to keep up a certain level of maintenance.

I have owned at Maui Sands since 2005 and I can attest to the maintenance struggle because of the ocean and the high cost of maintenance. Currently we have a spalling project that has gone out to bid and has returned bids at approx. half a million to near a million for this project. Way beyond what was budgeted.

Item No.	Major Component	Est. Useful Life	Est. Remain. Life	Estimated Cost to Replace	2025
Spalling & Repairs					
70	CMU Block - Gutter Installation Repair/Replace Allowance.	99	1	80,000	80,000
71	Decorative Dividing Walls - Bldgs 4,5 Repair Allowance	15	1	8,500	8,500
72	Exterior Surfaces - Major Spall Repairs (4%)	20	3	117,600	-
73	Exterior Surfaces - Minor Spall Repairs (2%)	20	13	58,800	-

The snippet below shows our monthly maintenance cost and that we are under funded by 65.47%. This equals to about \$1,393,449 being underfunded for maintenance.

Effective January 01, 2025

l

		2025
CASH FLOW METHOD:		
		0%
CASH RECEIPTS		
1.	Assessments	\$ 191,796
2.	Interest Earned @ 3.0%	6,000
3.	Total Cash Receipts	\$ 197,796
4.	Less Major Component Costs - Section II	-252,900
5.	Net Increase (Decrease) In Cash	\$ (55,104)
6.	Cash Reserve Balances At Beginning Of Year (1)	790,178
7.	Cash Reserve Balances At The End Of Year (2)	735,074
PERCENTAGE OF LIABILITY METHOD:		
8.	Estimated Total Liability - Section III	\$ 2,381,423
9.	Less Major Components Paid In Current Yr	-252,900
10.	Net Liability at Dec 31	\$ 2,128,523
11.	Less: Cash Balance at Dec 31	-735,074
12.	Estimated Unfunded Liability at Dec 31	\$ 1,393,449
13.	Percentage Funded (3)	34.53%
14.	Percentage Unfunded	65.47%

SEA LEVEL RISE AND VULNERABLE EXPOSURE AREA

I have looked at the Sear-Rise Impact Study and model used by the State of Hawaii. We are right in the middle of the impact zone as our neighbors to the left and right of us are that were included on Exhibit 2. It shows yet another reason why Maui Sands is not an attainable affordable housing option for local residents with possible risky devastating sea level rise.

I have attached a parcel map view of Maui Sands I (440010530000) , Maui Sand 2 (Seaside) (440010710000) and Paki Maui (440010510000). Both properties Maui Sand 2 and Paki Maui were included on Exhibit 2 as well as a number of properties extending out to the left and right of us. Maui Sands I was not. Maui Sands I is in the bottom of the photo. This puts Maui Sands I right in the middle of the sea-rise area and is at risk just like all the other properties around us who are on Exhibit 2.

You can see that Maui Sands I is much closer to the ocean than Paki Maui (upper property) and a tad bit closer to the ocean than Maui Sands 2 (between Maui Sands I and Paki Maui). Both properties have a bit less of a danger of sea level rise and subsequent erosion than Maui Sands I.



Below is an excerpt giving guidance to evaluate the two sea level rises in the SLR-XA. The map shows that we are in an area that would be vulnerable to sea rise of the 4 ft and 6 ft that State of Hawaii says is the minimum scenario we should be planning for. At ½ foot to 4 feet, Maui Sands I is very vulnerable to sea rise. During the Fukushima Tsunami, the ocean front buildings experienced flooding when the tsunami hit. Below is text taken from 2022 Hawaii Sea Level Rise. Attached are screen shots of Maui Sands I and possible road/hi-way flooding that would occur at the sea levels that rise.

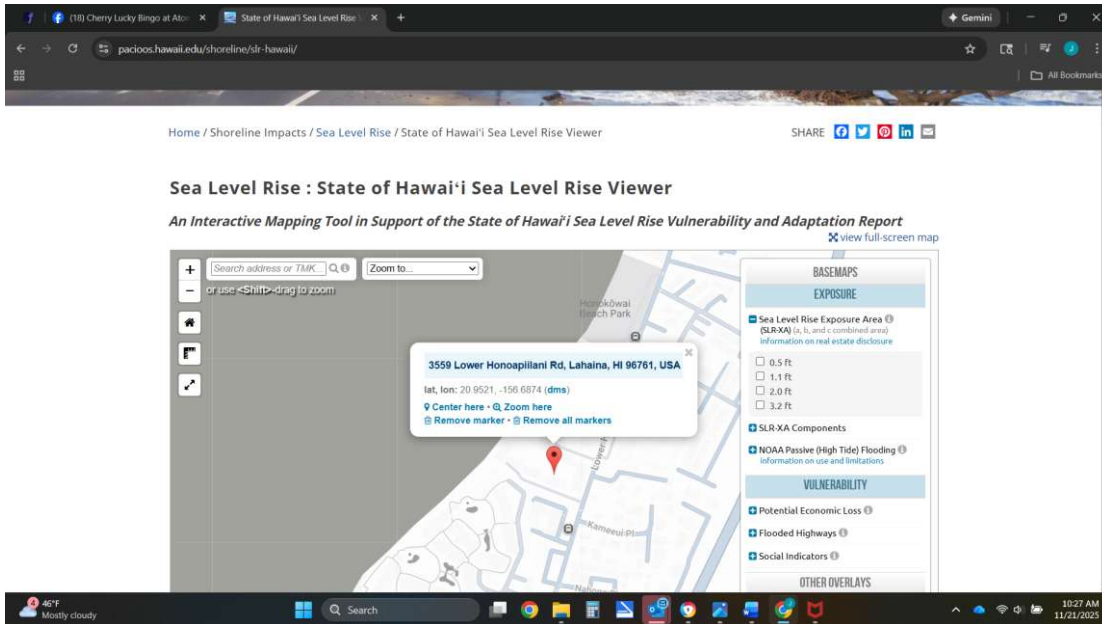
Per the TIG Report text “*properties where any portion of the property is located in the full SLR-XA or would already impacted by sea-level rise would not produce long-term housing options for residents and therefore be appropriate to continue TVR uses*”.

Guidance from the State of Hawai'i based on the [2022 Hawai'i Sea Level Rise Vulnerability and Adaptation Report](#) recommends evaluating two sea level rise scenarios depending on tolerance for risk:

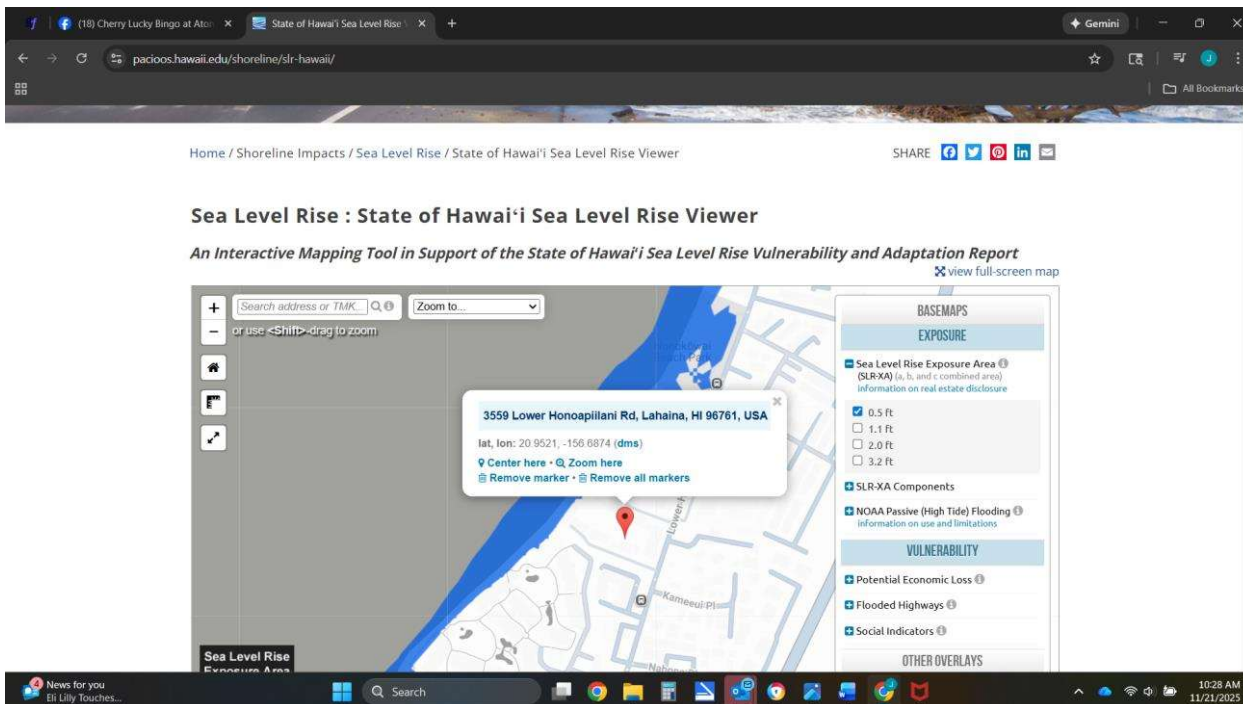
1. **4 feet** of sea level rise should be considered as the minimum scenario for *all planning and design*. This is following the latest NOAA interagency sea level rise report ([Sweet et al., 2022](#)) based on the report's Intermediate (mid-range) scenario for Hawai'i of 3.9 feet of sea level rise by 2100. **Continue to use the 3.2-foot SLR-XA and NOAA 4-foot passive flooding map data until updated SLR-XA data are available.**
2. **6 feet** of sea level rise should be considered for *planning and design of public infrastructure projects and other projects with low tolerance for risk*. This is based on the NOAA 2022 report's Intermediate-High scenario for Hawai'i of 5.9 feet of sea level rise by 2100. **Use the 3.2-foot SLR-XA along wave-exposed shorelines and NOAA 6-foot passive flooding map data in areas landward of annual high wave and coastal erosion hazard areas until updated SLR-XA data are available.**

Zero Sea Rise: this is our baseline and we move forward as recommended on this model of sea rise from the State of Hawaii to see the level of erosion and destruction for Maui Sands I

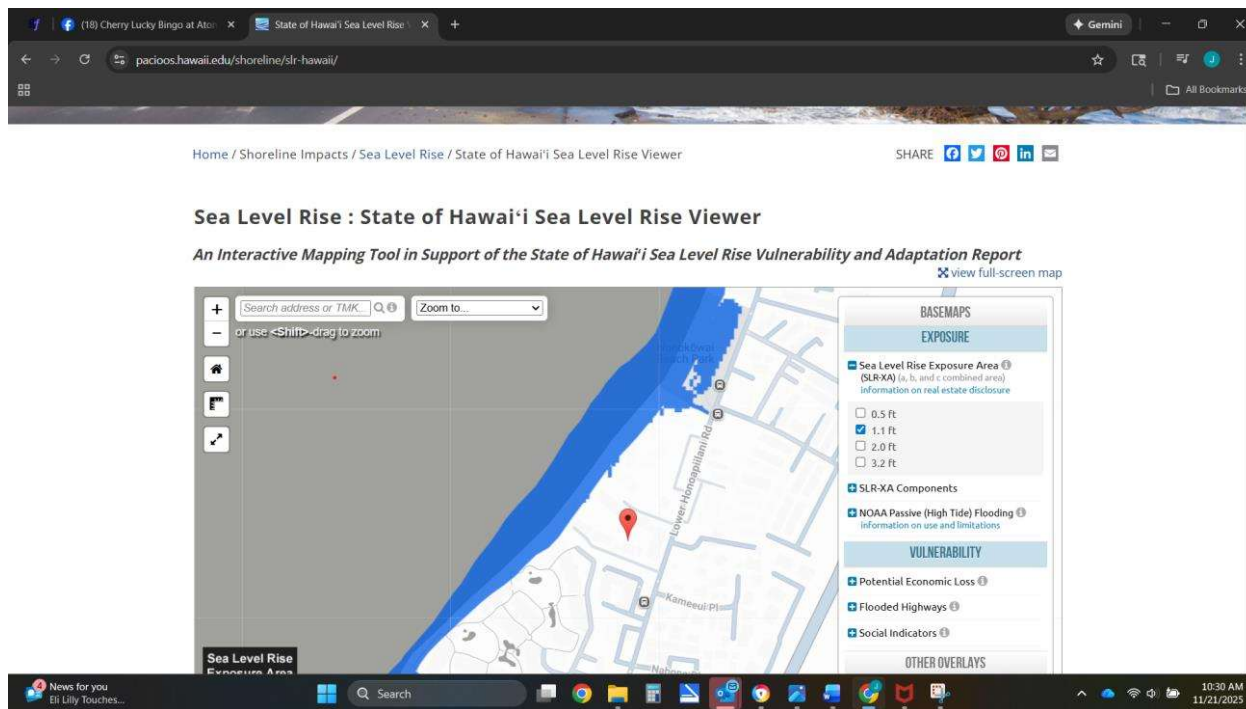
ZERO- SEA RISE BASELINE



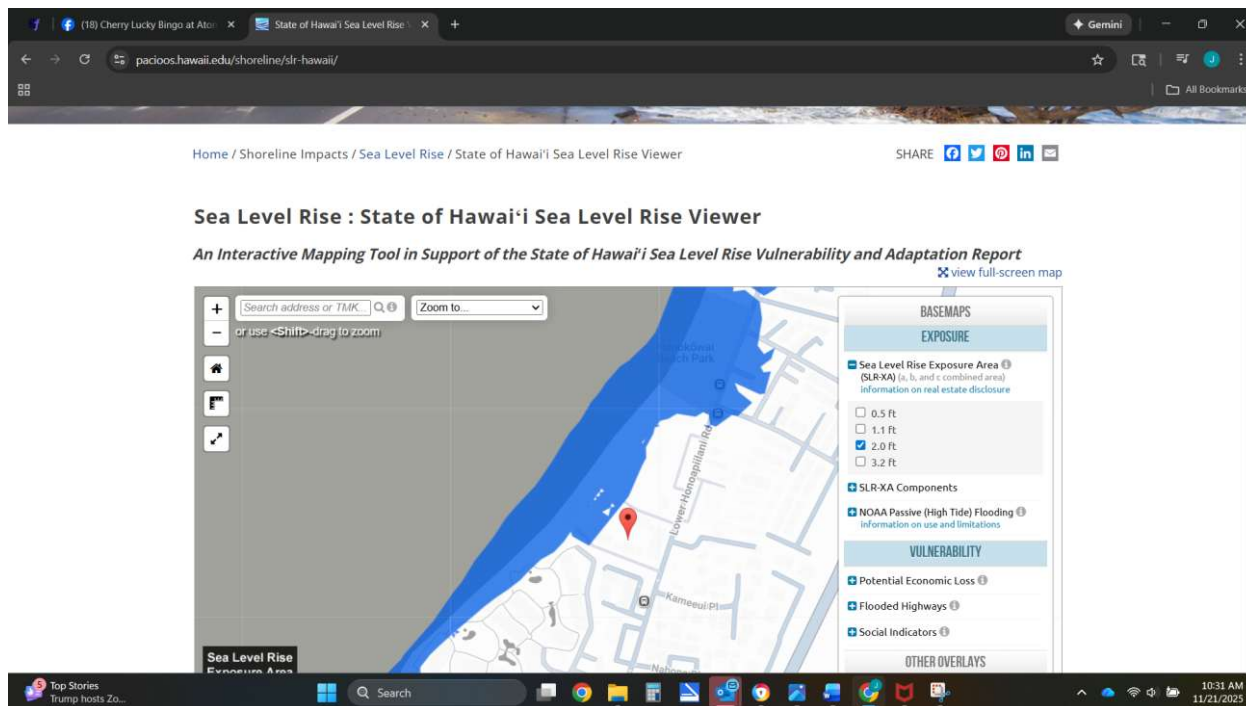
.5 SEA RISE – FLOODING WOULD OCCUR AT THE TWO OCEAN FRONT BUILDINGS



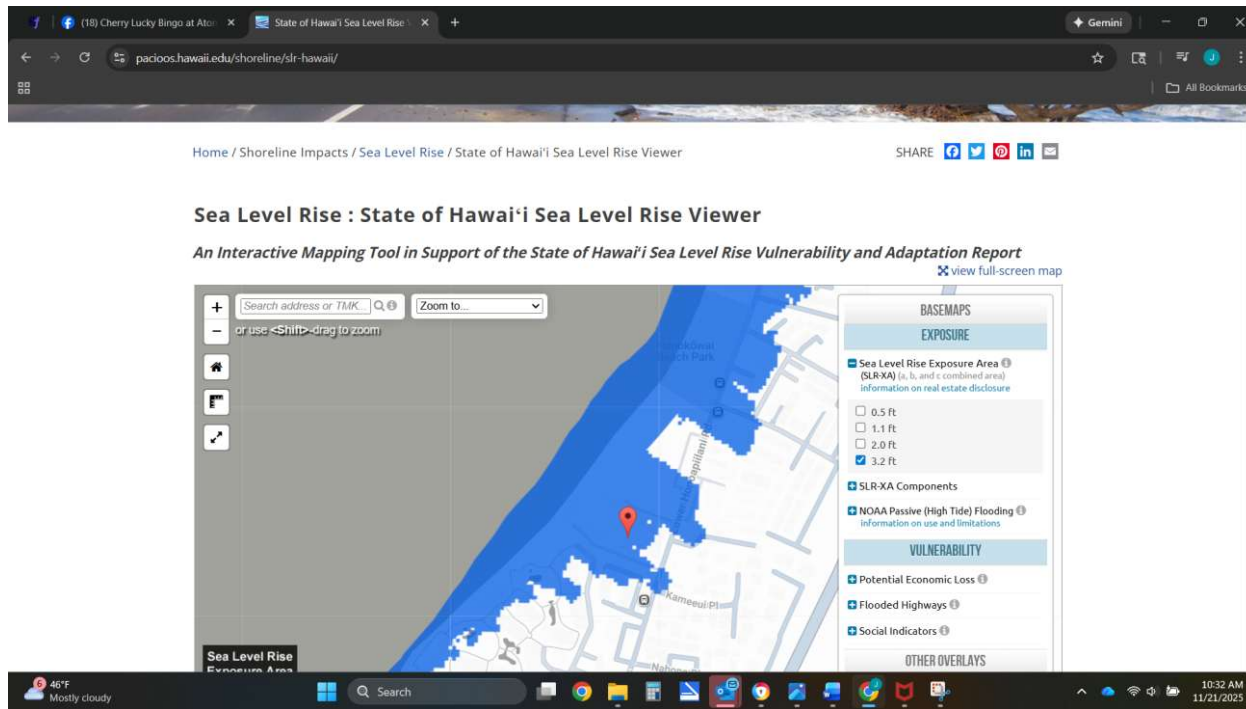
1.5 ft - SEA RISE FLOODS THIRD OF THE LAND AT MAUI SANDS I



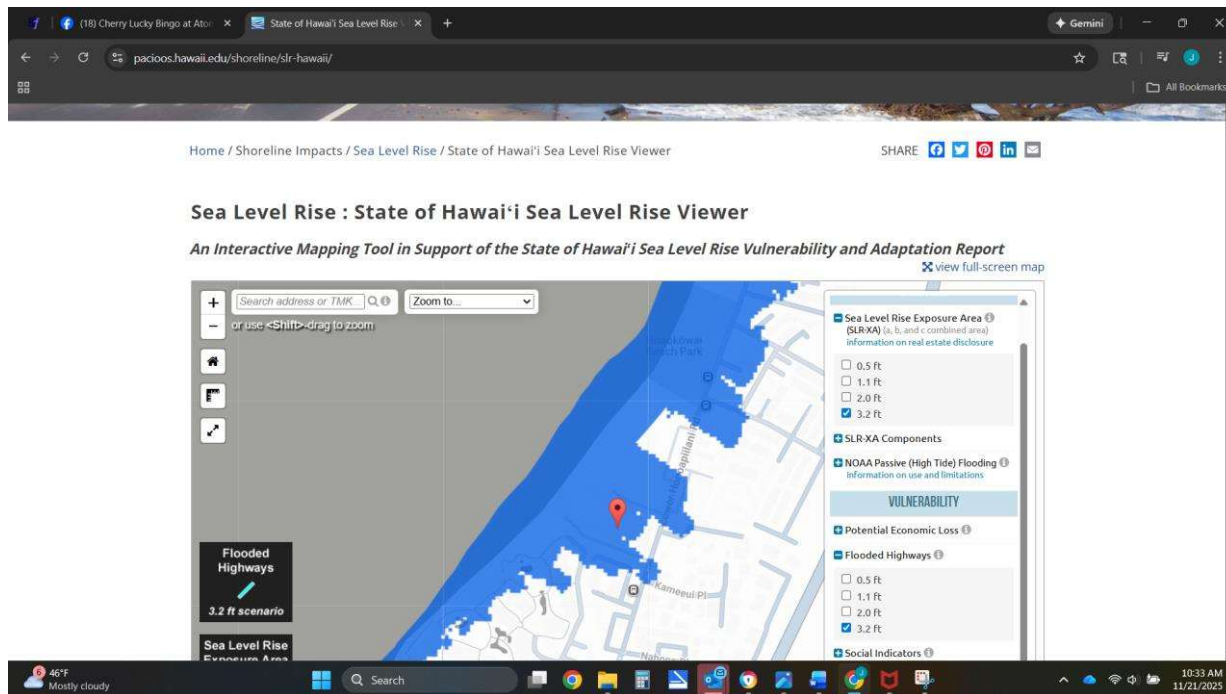
2 ft - SEA RISE FLOODS NEAR HALF THE LAND AT MAUI SANDS I



3.2 FT - SEA RISE FLOODS ALL OF MAUI SANDS I

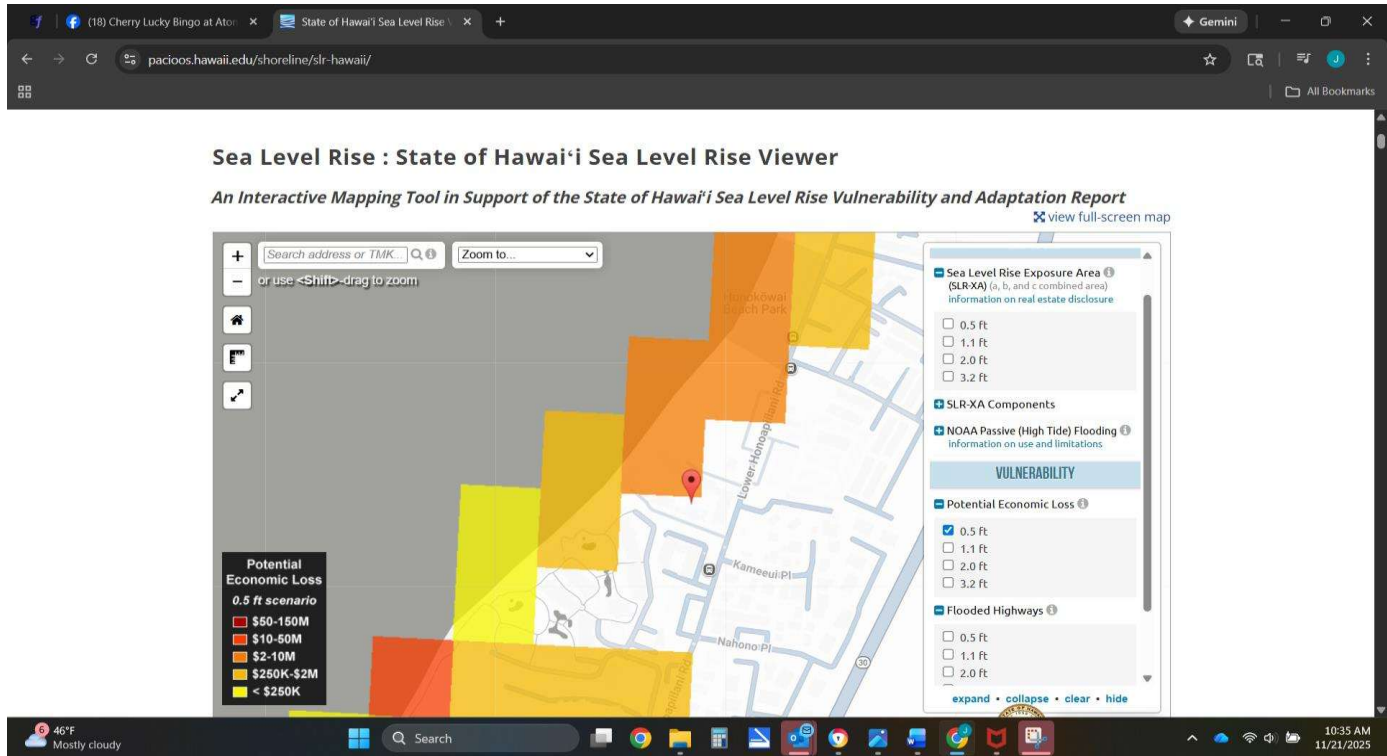


3.2 FT - FLOODS ALL OF MAUI SANDS I AND THE ROAD IN FRONT

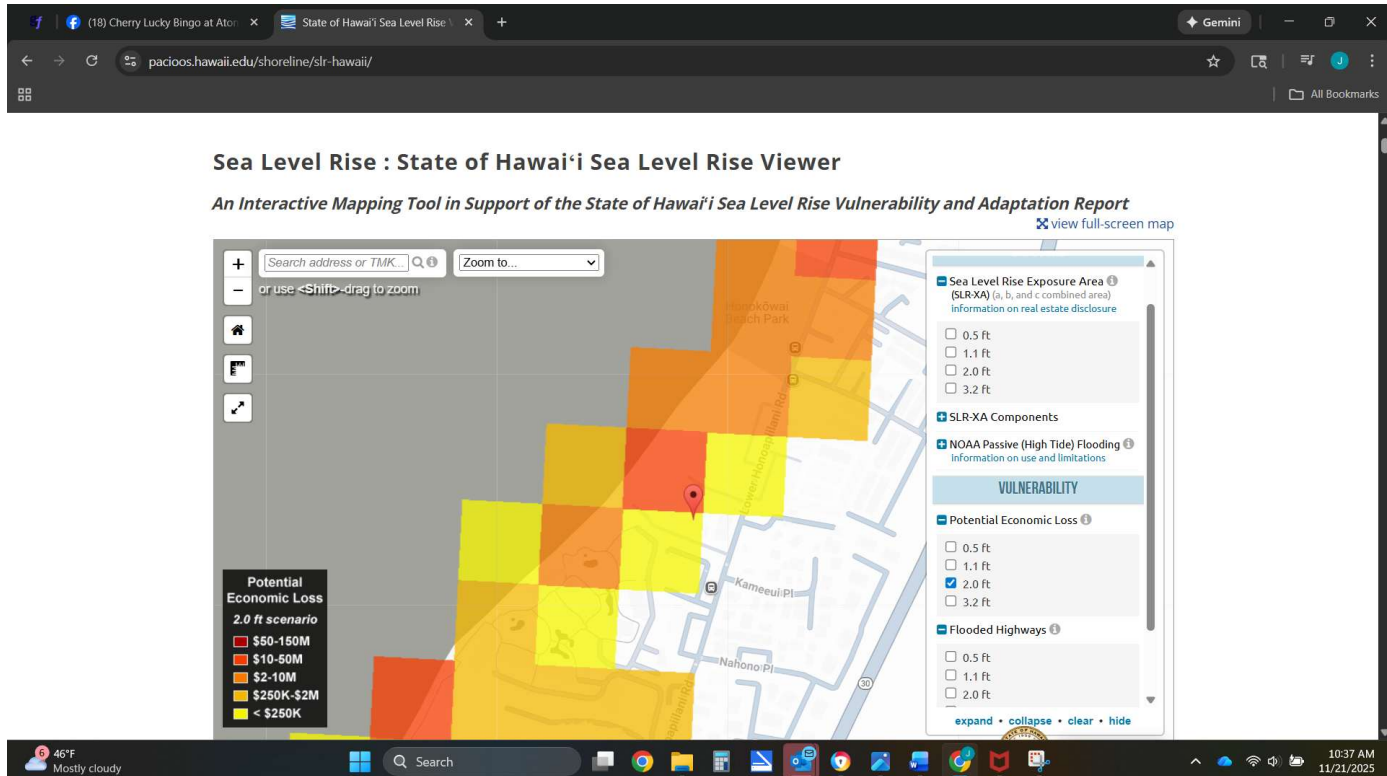


ECONOMIC DAMAGE MAUI SANDS WOULD RECEIVE:

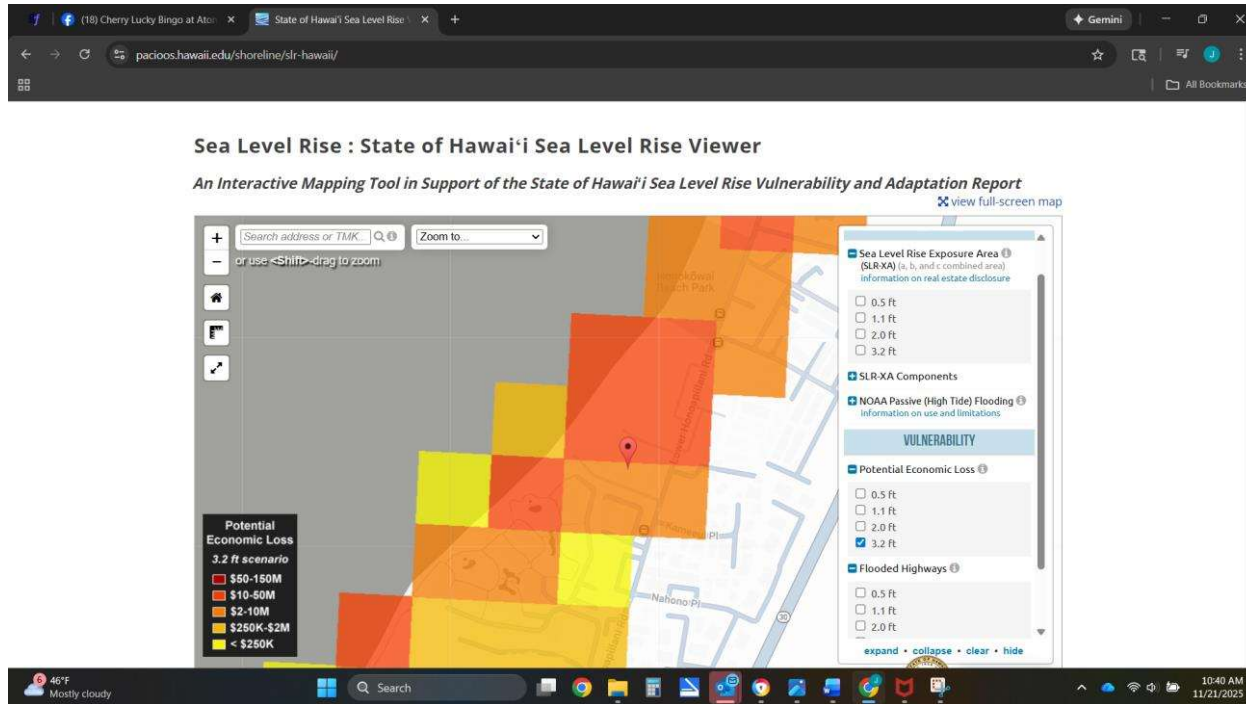
.5 SEA RISE - TRANSLATES INTO A \$250,000 to \$2,000,000 ECONOMIC LOSS FOR MAUI SANDS.



2 ft SEA RISE TRANSLATES INTO A \$2,000,000 to \$50,000,000 ECONOMIC LOSS FOR MAUI SANDS



3.2 SEA RISE STILL TRANSLATES INTO A \$2,000,000 TO \$10,000,000 ECONOMIC LOSS FOR MAUI SANDS



Coastal erosion estimated by the State of Hawaii shows the vegetation line and the erosion estimate by the State of Hawaii from .5 ft to 3.2 ft. will occur. This sea level rise would be catastrophic and the damages for Maui Sands I would be from \$250k to \$10 Million is loss. Overtime, our seawall may not protect Maui Sands as much as might be needed.

UNACCOUNTED FOR LEASEHOLD PAYMENTS OF \$500,000

TIG Report commented on page 8 about litigation. **The TIG also acknowledges that properties that are subject to litigation are (1) less likely to be sold; and (2) less likely to be bought by local residents.**

I am not accusing anyone one of any wrong doing. We are missing approx. \$500,000 in lease hold payments to lease holders. We do not collect these fees. We have a sandwich lease that is between us and the owners of the land, the Robinsons and Weinbergs Foundations. The lease payments are collected by the Peninsula Sandwich Lease and Peninsula keeps an agreed upon 15% and pays the land lease due to the Robinsons and Weinbergs.

Below are emails that verify this problem. The main owners of the sandwich lease, which I think is a total of 5 owners are in their 80s and elderly and not in good health. Earlier this year the two main people, a married couple, quit doing their sandwich lease responsibility. I was told because of failing health. That responsibility is cashing and accounting for land lease payments. All the owners were wondering what was going on. The other members of Peninsula refused to take over because of the missing payments.

There is email from me to their attorney about this. For me, the missing payments came to light as we were wondering why land lease payments were not being cashed for months. There has yet to be a forensic accounting of the missing payments.

As our board president said, if the Robinsons and Weinbergs can not resolve this with Peninsula, they will look to us to pay it. Meanwhile the threat of liens on each of our units is very real.

We at Maui Sands are probably faced with some sort of litigation that includes hiring attorneys and possibly pay for a forensic accountant if we want this issue resolved. This will be a costly and time-intensive effort. There is \$500,000 missing in payments to the landlords, Robinsons and Weinbergs.

Below is a letter to the Peninsula Trustees from our attorney. I have also attached a couple emails. One from Peninsula Lease Attorney and Robinsons Trust Attorney. We are hoping this is just accumulated missing payments that can easily be resolved by a forensic accountant. For example: during 2008 real estate bust, there were no lease hold payments made for quite awhile on multiple condo that went into bankruptcy and sold in foreclosure.

Keri C. Mehling, Attorney at Law
a limited liability law company
PO Box 2050, Kihei, Maui, Hawaii 96753
(808) 419-6299
keri@yourmauilawyer.com

January 17, 2025

Via CMRRR and U.S. Mail

Adel Kunisawa (pendevhawaiiitrust@gmail.com)
Ryosuke Kunisawa
Peninsula Development-Hawaii Trust
119 Bagwell Farm Road
Spartanburg, SC 29302

Re: Maui Sands Association of Apartment Owners – Payment of Lease Fee

Dear Adel and Kay:

This office continues to represent the Association of Apartment Owners of Maui Sands (the "Association"). I write with respect to questions the owners at Maui Sands have regarding the payment of the lease rents.

I understand that you have both resigned your position(s) as trustees of the Peninsula Development Hawaii Trust ("Trust"). The Trust is in the 'sandwich' position on the underlying land lease and is obligated to collect the lease fee from owners and pay the relevant portions to landowners Robinson Maui Sands Partnership and The Harry and Jeannette Weinberg Foundation, Inc.

Given your resignation and the lack of communications to the ownership as to where they should continue to send payment, I write to get clarification from you. Please advise:

- 1) Where payments are to be sent;
- 2) Who is the appropriate contact person or new Trustee acting on behalf of the Trust along with their contact details (phone and email and address if different from above); and
- 3) Whether all lease rent payments made by ownership to date have been forwarded to the landowners.

As I am sure you can appreciate, the ownership is very concerned that their payments are being properly processed and accounted for so there will be no impairment or encumbrance on the title of their respective apartments. Due to the lack of communication on this issue, we understand some owners are considering opening escrow accounts and depositing their lease rent to such an account until they receive formal notice from the Trust as to its course of action. For all parties, we would like to help avoid that by providing the information requested above to our ownership.

BELOW IS AN EMAIL TRAIL FROM PENINSULA DEVELOPMENT ATTORNEY, PAUL HORIKAWA WHO IS RESPONSIBLE FOR COLLECTING AND PAYING THE TWO LEASE HOLDERS. I ASKED QUESTIONS CONCERNING THIS. HE REPLIED

BELOW. PLEASE NOTE HE HAS NO IDEA HOW TO RESOLVE THIS MATTER. ALSO AS I UNDERSTAND IT, THE ACCOUNTING RECORDS OF PENINSULA DEVELOPMENT ARE NOT UP TO PAR AS THEY SHOULD BE.

“ John Chaisson:

I am working with representatives of the Sublessor on this matter. I don't know how this matter will be resolved.”

- Aloha – we sent the letter in Jan. No one at Maui Sands has said anyone has contracted us back.

Who are you representing?

From: Paul Horikawa <phorikawa3316@gmail.com>

Sent: Tuesday, May 20, 2025 11:23 AM

To: John Chaisson <John@atomicbudz.com>

Subject: Re: maui sands sandwich lease

John Chaisson:

I am working with representatives of the Sublessor on this matter. I don't know how this matter will be resolved.

Paul L. Horikawa

Law Office of Paul L. Horikawa

2233 Vineyard Street, Suite E

Wailuku, Hawaii 96793

Telephone No. (808) 244-4671

On Tue, May 20, 2025 at 7:48 AM John Chaisson <John@atomicbudz.com> wrote:

Opps I forgot one email

From: John Chaisson

Sent: Tuesday, May 20, 2025 10:48 AM

To: phorikawa3316@gmail.com; gaif2000@yahoo.com; rtiedeman197@gmail.com; tuck06@comcast.net

Subject: maui sands sandwich lease

Importance: High

Aloha – I am trying to get to someone who can actually help us.

The Kunisawas have resigned their roles as beneficiaries. Here at maui sands we all have a problem.

The accounting of the collection of lease payments is wrong for many people.

We have checks cashed and not accounted for and checks not cashed.

Who do we all need to contact to straighten this out?

mahalo

Law Office of Paul L. Horikawa
2233 Vineyard Street, Suite E
Wailuku, HI 96793

Phone: (808) 244-4671 Fax: (808) 249-0124

This is an email from our current Board President. As she suggests, this liability very well might turn back to us as the lease holder could lien each and every unit until they get paid back. Recently the sandwich lease, Peninsula hired estate accounting firm in Honolulu to help (2026).

Hi John,

All good points. Unfortunately, all parties are being non-responsive except the Weinbergs. In responses to your points specifically:

- all parties have been included in the letters and emails from our attorney (all three Peninsula beneficiaries, Robinson, Weinberg and attorneys for Peninsula, Weinberg & Robinsons)
- We don't know what happens to Kunisawa's share of the Trust if they pass away. They have children, so I would assume it is an asset that passes to the whoever they have designated as their beneficiary of that asset. We do not have access to their Trust agreement.
- Peninsula has the responsibility to respond and if they do not, the landowners. The sale that is pending is owned by Global Connection (vacation time share) and they have a representative sitting on our board and are in good position to push this issue as they are able to
- lease rate is set every 10 years and is a negotiation between Peninsula & Landowners, but Peninsula has given the right of negotiation to the board of Maui Sands and historically, they have hired Monarch Properties to broker the deal. That contract also requires Monarch to represent us in any buy-out we do
- Kunisawas have previously informed us that Peninsula would be supportive of a buy-out. We believe they are in conversation with Weinberg / Robinson to resolve this. Our attorney has suggested several paths forward (dissolve the Trust as part of the buy-out deal, hire a bank to be trustee, have one of the landowners take over the trustee position).

Agree, it seems like it would be in the best interest of the landowners & sandwich lease owners to resolve this to limit their liability. But, it is not an association responsibility, unless it can be tied to a buy-out and we agree to take on that responsibility.

Best, Glenna

From: Mark Deakos <markdeakos@gmail.com>
Sent: Tuesday, May 26, 2026 6:17 AM
To: Tamara.Paltin@mauicounty.us; Shane.Sinenci@mauicounty.us;
Keani.Rawlins@mauicounty.us; Gabe.Johnson@mauicounty.us
Cc: County.Clerk@mauicounty.us
Subject: Testimony on Policy Concerns Regarding Proposed Bill 88 to Establish H-3 and H-4 Hotel Districts

You don't often get email from markdeakos@gmail.com. [Learn why this is important](#)

Aloha Councilmembers,

I am submitting testimony to respectfully share concerns regarding BILL 88 (2026) before today's committee discussion.

When this came before the Maui Planning Commission, it became increasingly clear that staff intended for the proposed H-3 and H-4 Hotel Districts to be evaluated independently from Bill 9 itself. If that is the framework, then the proposal must stand on its own merits as a long-term land-use policy decision that establishes two entirely new categories of transient accommodation zoning.

Viewed independently of Bill 9, I believe **the proposal is significantly inconsistent with Maui County's adopted plans and policies**, and that is ultimately what the Planning Commission decided on with only one dissenting vote.

While broad economic policies generally recognize the importance of the visitor industry, **the County's land use, housing, shoreline, and climate policies repeatedly emphasize limiting growth in visitor accommodations, protecting residential communities, preserving the long-term housing inventory, maintaining a resident-to-visitor balance, and discouraging additional shoreline entitlements.**

The policy direction across the General Plan, Maui Island Plan, and Community Plans is overwhelmingly toward management, limitation, and reduction of visitor accommodation impacts — not creation of new transient accommodation zoning categories.

Some of the most relevant policies include:

Countywide Policy Plan J.1.c:

"Limit the number of visitor-accommodation units and facilities in Community Plan Areas."

Countywide Policy Plan J.1.d:

"Maintain a sustainable balance between the resident, part-time resident, and visitor populations."

Countywide Policy Plan L.2.h:

"Discourage new entitlements for residential, resort, or commercial development along the shoreline."

Maui Island Plan Objective 4.2.2:

“Comprehensively manage future visitor-unit expansion.”

Pa‘ia-Ha‘ikū Community Plan:

“Prohibit hotel/resort development within the region.”

Kīhei-Mākena Community Plan:

“Limit hotel uses to those areas presently planned for hotel use.”

West Maui Community Plan:

Visitor-related development should focus on “quality over quantity” and minimize impacts on residents, infrastructure, shoreline resources, and the environment.

In addition, Maui planning policy has long emphasized maintaining a sustainable visitor-to-resident balance. The Maui Island Plan discussions and related planning documents repeatedly referenced the importance of avoiding excessive visitor concentration relative to the resident population. **The creation of two new transient accommodation zoning categories appears difficult to reconcile with those long-term planning objectives. There are no policies that encourage more transient accommodation use.**

I also believe it is important to recognize that many of the properties expected to pursue H-3/H-4 zoning are shoreline West Maui properties already facing erosion, beach loss, shoreline armoring conflicts, and sea-level-rise exposure. Creating entirely new transient accommodation zoning categories in these areas appears directly at odds with the County's climate adaptation and shoreline resilience policies.

Most importantly, if H-3/H-4 is truly being decoupled from Bill 9, then the County must answer a basic planning question:

What independent planning necessity exists for creating entirely new transient accommodation zoning districts?

If the purpose is no longer tied specifically to implementing or mitigating Bill 9, then the proposal must be justified under the County’s adopted planning framework alone. When viewed through that lens, there appears to be little policy justification for creating these new zoning categories.

For convenience, I’ve included a brief policy reference table below.

POLICY SUMMARY TABLE

Plan	Policy No.	Page	Policy Language
Countywide Policy Plan	J.1.c	GP Analysis p.2	“Limit the number of visitor-accommodation units and fa Community Plan Areas.”
Countywide Policy Plan	J.1.d	GP Analysis p.2	“Maintain a sustainable bala between the resident, part-t resident, and visitor populat

Countywide Policy Plan	L.2.h	GP Analysis p.3	“Discourage new entitlement residential, resort, or commercial development along the shoreline.”
Maui Island Plan	4.2.2	GP Analysis p.3	“Comprehensively manage visitor-unit expansion.”
Pa‘ia-Ha‘ikū Community Plan	Land Use Policy 3	GP Analysis p.5	“Prohibit hotel/resort development within the region.”
Kīhei-Mākena Community Plan	Land Use Policy d	GP Analysis p.5	“Limit hotel uses to those already presently planned for hotel units.”
West Maui Community Plan	2.4.3	GP Analysis p.5	Visitor development should be “quality over quantity.”
West Maui Community Plan	Housing Objective	TIG Report p.11-14	Increase long-term housing
Maui Island Plan	Visitor/Resident Balance Policies	Island Plan discussions	Maintain a sustainable visitor/resident ratio at 33%

Mahalo for your thoughtful consideration of these concerns and for your continued service to our community.

Mark Deakos
Napili

From: Travis Liggett <travis.liggett@gmail.com>
Sent: Monday, May 25, 2026 10:10 PM
To: Nohe M. Uu-Hodgins; K. Kauanoë Batangan; Keani N. Rawlins; Shane M. Sinenci; Yukilei.Sugimura@mauicounty.us; Gabe Johnson; tamara.paltin@mauicounty.us; Thomas M. Cook; Alice L. Lee
Cc: County Clerk
Subject: HLU-16 Testimony - Oppose Bill 88 Unless Amended by Proposed SECTION 7 – Hānai Kākou Housing Continuity and Stabilization Framework
Attachments: Bill 88 - Proposed Section 7 - Amendment for Hanai Kakou _ MLAST Amendment - 2026-05-26.pdf

Chair U'u-Hodgins, Vice Chair Batangan, and Members of the Housing and Land Use Committee,

Please accept this testimony in opposition to Bill 88 unless amended by proposed SECTION 7 establishing the Hānai Kākou Housing Continuity and Stabilization Framework.

As currently structured, Bill 88 risks creating a pathway for substantial speculative acquisition pressure affecting former apartment-zoned housing inventory while providing insufficient long-term stabilization infrastructure to preserve local residency continuity during future economic disruption.

The concern is not merely tourism, zoning consistency, or short-term rental legality. The larger concern is systemic vulnerability.

In a severe inflationary, liquidity, insurance, or broader economic disruption scenario, Maui housing inventory may become increasingly attractive to globally liquid investors and institutional asset holders capable of rapidly acquiring substantial portions of Maui residential inventory at scales inaccessible to ordinary local families. Without lawful stabilization authority, Bill 88 could unintentionally accelerate long-term consolidation of Maui housing into externally controlled asset portfolios fundamentally inconsistent with the original spirit underlying Bill 9.

Proposed SECTION 7 materially improves Bill 88 by creating a voluntary, donation-funded, fiscally insulated continuity framework capable of supporting ethical philanthropic intervention, community land trust participation, occupancy protection, master leasing, resident continuity agreements, anti-vacancy protections, and related stabilization measures before irreversible consolidation dynamics emerge.

Importantly, the amendment does not independently rezone any property, authorize eminent domain, create County debt, require taxpayer funding, or impair lawful ownership rights. Instead, it provides prudent contingency infrastructure allowing Maui County to preserve community continuity and local residency stability if extraordinary market conditions arise.

In plain terms: if Bill 88 moves forward, SECTION 7 helps ensure Maui retains lawful tools capable of preventing a future scenario in which effectively unlimited outside capital acquires large portions of Maui housing inventory in a single destabilizing wave while local residents are permanently priced out of return.

For these reasons, I respectfully urge the Committee to either:

1. Adopt proposed SECTION 7 together with Bill 88; or
2. Defer Bill 88 pending establishment of meaningful continuity and stabilization safeguards.

Mahalo for your consideration.

Sincerely,

Travis Liggett, M.S.

+1 (808) 291-9934

travis.liggett@gmail.com

SECTION 7. Hānai Kākou Housing Continuity and Stabilization Framework.

The Council finds that Bill 88 may create substantial speculative acquisition pressure affecting former apartment-zoned housing inventory, including coordinated acquisition, bulk acquisition, vacancy banking, and extraordinary market acquisition activity capable of permanently displacing Maui residents, workforce households, kūpuna, caregivers, multigenerational families, and residents economically forced from Maui due to housing instability.

The Council further finds that Maui County possesses a compelling governmental interest in preserving long-term community continuity, local residency stability, workforce retention, intergenerational family cohesion, disaster resilience, and the ability of economically displaced Maui residents and families to return home and remain on Maui with dignity and stability.

Accordingly, the County may establish a Hānai Kākou Housing Stabilization Program for properties affected by Bill 88 utilizing a donation-funded Maui Living ‘Āina Stabilization Trust (“MLAST”) framework hereby authorized and established by this section for purposes including but not limited to acquisition, master leasing, preservation, stabilization, stewardship, occupancy protection, and resident housing continuity for Maui residents and resident-qualified households.

The Hānai Kākou Housing Stabilization Program may include:

1. Direct acquisition of units or interests in units;
2. Nonprofit or community land trust acquisition partnerships;
3. Master lease or leasehold stabilization arrangements;
4. Resident continuity protections;
5. Community stewardship covenants;
6. Anti-speculation and anti-vacancy protections;
7. Rights of first negotiation, first offer, or voluntary acquisition opportunities;
8. Workforce and affordability preservation mechanisms;

9. Transitional and intergenerational housing stabilization measures;
10. Resident return and family reunification stabilization initiatives;
11. Temporary or emergency housing stabilization agreements, occupancy preservation agreements, and resident continuity agreements; and
12. Other lawful community continuity measures authorized by Council.

All acquisitions, agreements, partnerships, and stabilization activities authorized under this section shall be voluntary.

Activation pursuant to this section may occur upon one or more findings of:

1. Bulk acquisition activity;
2. Coordinated acquisition activity;
3. Extraordinary market disruption materially impairing local housing access;
4. Rapid ownership concentration;
5. Vacancy banking;
6. Significant displacement risk;
7. Declared housing or community continuity emergency; or
8. Other destabilizing conditions threatening Maui residential continuity; or
9. Receipt or anticipated availability of substantial donated, philanthropic, nonprofit, or independently secured non-County funds sufficient to materially advance the purposes of this section, including but not limited to acquisition, preservation, stabilization, stewardship, leasing, occupancy protection, or resident housing continuity activities authorized by this section.

Any activation pursuant to this section shall remain subject to Council oversight and applicable public process requirements. Nothing in this section shall independently rezone any property.

The Mayor, or the Mayor's designee, may execute one or more Memoranda of Agreement ("MOAs") establishing and implementing the Maui Living 'Āina

Stabilization Trust (“MLAST”) donation-based housing stabilization framework authorized by this section for accepting, receiving, holding, administering, appropriating, deploying, or conditionally disbursing donated funds, philanthropic capital, grants, gifts, nonprofit participation, community land trust participation, or other independently secured non-County funds for acquisition, preservation, stabilization, stewardship, leasing, master leasing, occupancy protection, and resident housing continuity activities authorized by this section.

The County may accept donated or philanthropic funds consistent with this section. Donated funds may be accepted and deposited into segregated MLAST accounts without further substantive enabling legislation, provided that all expenditures remain subject to applicable appropriation, audit, reporting, procurement, ethics, environmental compliance, and other applicable legal requirements consistent with fiscal safeguards, audit requirements, reporting requirements, and applicable law established pursuant to this section.

No County general funds, County debt obligation, taxpayer guarantee, mandatory future appropriation, or entitlement obligation shall be created by this section. All activities authorized under this section shall be limited strictly to donated or independently secured non-County funds actually received.

Nothing in this section shall authorize eminent domain, mandatory property transfer, impairment of lawful ownership rights, or compensation claims arising from speculative market expectations.

If any portion of this section is held invalid, the remaining provisions shall remain in full force and effect.

From: John Uhl <johnuhl.banyans@gmail.com>
Sent: Monday, May 25, 2026 1:09 PM
To: o: Keani Rawlins-Fernandez; Yuki Lei Sugimura; Gabe Johnson; Alice Lee; Shane Sinenci; Kauanoë Batangan; Tamara Paltin; Thomas Cook; Nohe-Uu-Hodgins; Cc: County Clerk; Lynn Britton; directors banyansboard
Cc: Steve Uhl; Tapani Vuori; Chris Porter; Debbie Gollnick; James Brown Satti
Subject: Testimony regarding Bill 88

You don't often get email from johnuhl.banyans@gmail.com. [Learn why this is important](#)

Aloha Maui County Councilmembers,
Please accept my testimony on Bill 88 attached.
Mahalo for your consideration.
Aloha,
John Uhl



Uhl testimony Bill 88 .docx

From: Ryan Holt <ryan@ljwelding.com>
Sent: Monday, May 25, 2026 9:31 AM
To: county.clerk@mauicounty.us
Subject: Bill 88 — Housing & Land Use Committee — May 26, 2026 Meeting

You don't often get email from ryan@ljwelding.com. [Learn why this is important](#)

Aloha, County Clerk/Maui County,

I strongly support the proposed H3/H4 zoning districts and the effort to update the zoning rules under Bill 88.

Short-term rentals have been part of Maui for decades. These properties were bought and operated in a well-known visitor rental market, and property owners should be treated fairly and consistently.

STRs are also a huge part of Maui's economy and support local people every day through:

- jobs
- tourism
- small businesses
- contractors and trades
- tax revenue
- local families who rely on this industry for income

The zoning rules should reflect how these properties have actually been used for many years instead of trying to force them into categories that do not fit.

This should be about fair rules, clear rules, and protecting an industry that has supported Maui residents and the local economy for generations.

Mahalo,

Ryan Holt
Kahana Reef, Unit #422
Maui, Hawai'i
(780) 267-4658

From: blb@maui.net
Sent: Monday, May 25, 2026 9:00 AM
To: Keani Rawlins-Fernandez; Yuki Lei Sugimura; Gabe Johnson; Alice Lee; Shane Sinenci; Kauanoë Batangan; Tamara Paltin; Thomas Cook; Nohe-Uu-Hodgins
Cc: County Clerk; Lynn Britton
Subject: Testimony = Bill 88
Attachments: LB testimony Bill 88 .docx

Aloha Maui County Councilmembers,
Please accept my testimony on Bill 88 attached.
Mahalo for your consideration.
Aloha,
Lynn Britton

May 25, 2026

RE: Bill 88 H3/H4 ZONING DISTRICTS

Aloha Maui County Councilmembers,

I have offered testimony previously RE Bill 9 and its impacts on me personally, a Maui resident since 1973 and owner of a one-bedroom Ma'alaea condominium since 1985.

Briefly, after renting long term for several years, I went into short term rental to supplement my retirement income and be able to hold onto my condominium, as Ma'alaea will always be my home. At a current county valuation of over \$600,000 for my one bedroom one bath apartment, I would not be able to purchase my unit, and most Maui residents would not be able to as well. Short term rentals have been ongoing in my building for decades.

Passing Bill 88 will establish the framework for the potential creation of H3/H4 zoning districts for vacation rentals. It focuses on the creation of zoning categories and modernization of the zoning code. I understand it does not address specific buildings. But for reference, my building, Island Sands, is facing major costs and future special assessments to maintain our 50-year-old oceanfront concrete building. It is on the TIG list and qualifies for the proposed H3 and H4 classifications.

I live in Wailuku and enjoy staying in my oceanfront condominium, and sharing it with family from Oahu and the U.S. Mainland. That is one of the reasons why I have kept it in short term rental vs long term. Because it is in the higher tax bracket, I pay almost \$10,000/year in county real property taxes, have a mortgage and pay monthly maintenance fees. My overhead is over \$3,000/month – for my 560 sq ft one bedroom one bath apartment with one parking stall.

Ma'alaea condominiums are unique - we are all situated on Haouli St. with one road in and out, are on the ocean surrounded by ag. and conservation districts, and have spent over six years pursuing a regional wastewater reclamation system. The benefits of the Ma'alaea regional wastewater system include eliminating the impact of injection wells on Ma'alaea Bay and the ability to produce R-1 water which would relieve the ten condominium properties and Maui Harbor Shops and Maui Ocean Center of using the County's precious water resources.

I appreciate your careful consideration of the issues as you evaluate your next steps.

Mahalo and Aloha,



Lynn Britton
P.O. Box 2241, Wailuku, HI 96793
blb@maui.net

From: John Chaisson <John@atomicbudz.com>
Sent: Sunday, May 24, 2026 9:26 AM
To: County Clerk
Subject: May 26 H3/H4 Land Use Committee meeting testimony

You don't often get email from john@atomicbudz.com. [Learn why this is important](#)

 [Land Use Comittee May 26.docx](#)  [TIG Report Response for Maui Planning Commission Revised 5-24-26.docx](#)

Mahalo

Good Morning Maui County Council Members,

My name is John Chaisson and I am a 20 year owner of Maui Sands .I
I am here today to support Bill 88 and the creation of H3/H4 zoning.
This will provide jobs to local economy and the creation of this new
zoning will allow certain A1/A2 properties with current tvr status to
transition to H3/H4/ to continue short term rentals.

The TIG Report identifies the conditions by which an A1/A2 property
can transition to H3/H4. These conditions identify whether a
property is appropriate and attainable as affordable housing. The
properties listed on TIG/Exhibit 2 list are identified as not
appropriate for affordable housing because of the conditions they
present. These issues identified by the TIG report include whether it
is a lease hold, are the monthlies are affordable, whether or not the
property lies within the Sea-Rise Impact zone, whether there are
legal issues with the property are some areas of concern the TIG
addressed. Please pass Bill 88

Maui Sands I meets all the TIG criteria to be included on Exhibit 2
and then some being a lease hold property, a land lease so short it
does not qualify for a mortgage, \$3000 monthlies, located in the
middle of the sea rise impact zone, and missing land lease
payments My presentation I emailed for this hearing has the
receipts that support Maui Sands is not an attainable affordable
property with all the issues exist with Maui Sands 1. I am asking the
Housing Land Use Committee and Maui County Council, when
appropriate, to please include us on the Exhibit 2 for the council
initiated zoning change. Mahalo for your time.

Dear Honorable Maui County Council and the Housing and Land Use Committee,

I write to you today in hopes of correcting a possible oversight of Maui Sands I.

Based on the criteria of the TIG Report, Maui Sands I meets ALL of the requirements identified by the TIG Report to be a unattainable property to buy or rent as an affordable property for local residents. Here we are providing itemized and actual documentation to support this.

Therefore we are asking for an amendment from the Maui Planning Council to be included on the county initiated zoning change for the Exhibit 2 list. All our neighbors to the left and right of us, including Maui Sand 2 is on Exhibit 2 list. We feel that we may have been inadvertently left off and ask Maui County Council to include us in the county initiated zoning change A2 to H3/H4.

If H3/H4 is passed here are the reasons why to include us in the county initiated zoning change.

1. We are a lease hold property
2. No one can get a mortgage for Maui Sands I because the land lease is too short
3. We have very high monthlies – approx. \$3000
4. We sit in the middle of the sea-rise impact zone identified by the State of Hawaii
5. We have lease hold payment issues with our lease hold owners

Below is a snippet from Maui County Property Records of my condo confirming Maui Sands is a lease hold property.

Parcel Information

Parcel Number 440010520054
Location Address 3559 LOWER HONOAPIILANI RD UNIT VIF
LAHAINA HI 96761
Neighborhood Code C436
Legal Information APT VI-F MAUI SANDS CM 14 & 35TOG/PS VI-F AND STORAGE LOCKER
VI-FUND 1/56TH INT IN COMM ELEM
Land Area
Zoning A2 - A-2 Apartment
Parcel Note

Damage

Reentry Zone
Zone Color

Owner Information

Owner Names
HARRY & JEANETTE WEINBERG FOUNDATION INC Fee Owner
CHAISSON JOHN JOSEPH Sub-Lessee
PENINSULA DEV HAWAII TRUST Lessee
ROBINSON MAUI SANDS PARTNERSHIP Fee Owner
[Show All Owners and Addresses](#)

Mailing Address
[HARRY & JEANETTE WEINBERG FOUNDATION INC](#)



Information

For questions regarding:-
- Clerical (exemptions, mailing address, land class) (808)270-7871
- Compliance (Ag use and ded) (808) 270-7295
- Tax Maps (Ownership, new tmk's, map orders) (808)270-7226
- Appraisal (Property Values) (808)270-7798
RPA@co.maui.hi.us
- Tax bills and Circuit Breaker: (808) 270-7697
Maui.rpt@co.maui.hi.us
Website

The TIG report states that properties with market values not attainable by Maui Residents would be appropriate to continue TVR uses. Even with lowered property values, Maui Sands is unattainable and not attractive as affordable housing because of the many issues presented here.

LEASE HOLD, MORTGAGE, TOTAL COST OF OWNERSHIP AND ISSUES

In this section we cover interrelated issues. Mortgage, Land Lease, Land Lease Monthly Cost, HOA Monthly Cost/Flood Insurance, Below we have provided email from BOH VP Loan Officer and Loan Depot that indicates we cant get a loan; our last leasehold negotiation letter from Monarch with payment and land values and monthly cost of leasehold for each unit;

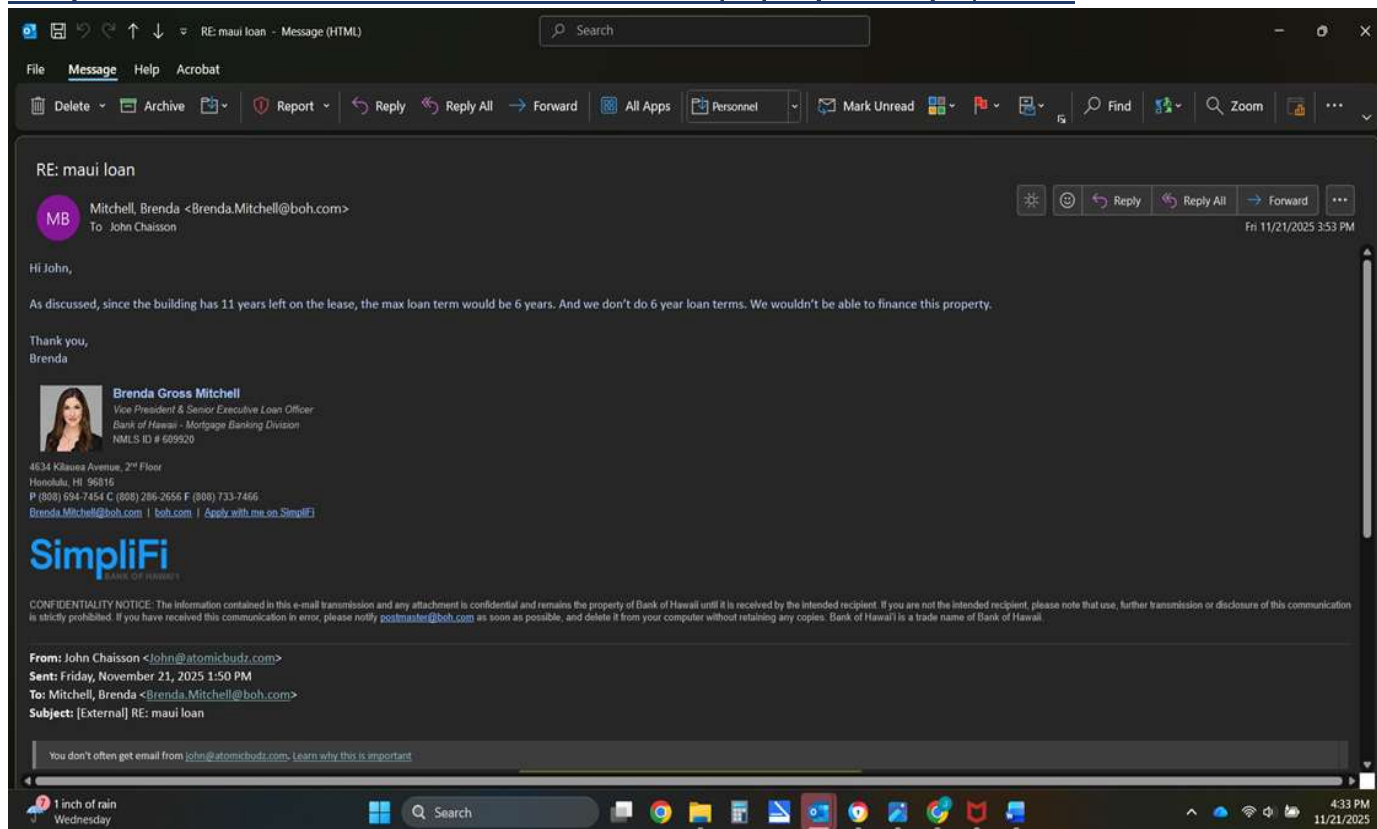
Mortgage: I have reached out to Bank of Hawaii. Given our current situation, the VP loan officer sent the following email back to my inquiry. Maui Sands does not meet the criteria to get a real estate loan. Banks like to see a loan 5 years past the leasehold expiration. For example on a 30 year, 20 year and 10 year loan, you have to add 5 years past that date for banks to even consider financing a leasehold property. It is 2026 and for a 30 year loan, the leasehold would have to expire in 2061 (2026 + 30 years + 5 years). For a 20 year loan, the leasehold would have to expire 2051. For a 10 year loan, the leasehold would have to expire on 2046. Our lease hold expires 2037.

We have no time left on our leasehold to get a loan as confirmed by VP loan officer from BANK OF HAWAII. All Maui Sands l properties would have to be bought with cash.

I have reached out to Bank of Hawaii and Loan Depot. Given our current situation, the both loan officers sent the following email back to my inquiry. Maui Sands does not meet the criteria to get a real estate loan because of the short land lease.

BANK OF HAWAII VP OF MORTGAGES EMAIL:

Hi John, As discussed, since the building has 11 years left on the lease, the max loan term would be 6 years. And we don't do 6 year loan terms. We wouldn't be able to finance this property. Thank you, Brenda



RE: maui loan

Mitchell, Brenda <Brenda.Mitchell@boh.com>
To: John Chaisson

Hi John,

As discussed, since the building has 11 years left on the lease, the max loan term would be 6 years. And we don't do 6 year loan terms. We wouldn't be able to finance this property.

Thank you,
Brenda

Brenda Gross Mitchell
Vice President & Senior Executive Loan Officer
Bank of Hawaii - Mortgage Banking Division
NMLS ID # 669920

4634 Kilauea Avenue, 2nd Floor
Honolulu, HI 96816
P (808) 694-7454 C (808) 286-2656 F (808) 733-7456
Brenda.Mitchell@boh.com | boh.com | Apply with me on SimpliFi

SimpliFi
BANK OF HAWAII

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From: John Chaisson <John@atomicbudz.com>
Sent: Friday, November 21, 2025 1:50 PM
To: Mitchell, Brenda <Brenda.Mitchell@boh.com>
Subject: [External] RE: maui loan

You don't often get email from John@atomicbudz.com. Learn why this is important

LOAN DEPOT BRANCH MANAGER OF MORTGAGES:

Hi John,

All loans that are secured by leasehold property are required to have more than 5 years left on the lease.

Here is a link to the rules all lenders use for leaseholds:

<https://selling-guide.fanniemae.com/sel/b2-3-03/special-property-eligibility-and-underwriting-considerations-leasehold-estates>

Specifically, this portion:

- The lease must have an unexpired term that exceeds the maturity date of the loan by five (5) years or more.

A 7 year loan would have a very large payment, but I couldn't find any to offer you, knowing its much worse than your current loan.

There are no 5 year balloons available as they were regulated away back in 2012. This is covered here: <https://selling-guide.fanniemae.com/sel/b2-1.5-02/loan-eligibility>

From what I see, you have **two options**:


1. **get the lease extended**
 - a. ideally until after 2060 so you can get 30 year loans
 - b. 2025 + 30yr maturity + 5yr buffer = 2060
2. **Sell and use money to buy something else**




Gavin Walker

NMLS #71223

Branch Manager

 (425) 898-5111 – office

 (206) 790-4843 – mobile

 gavinwalker@loandepot.com

 <https://www.loanDepot.com/gavinwalker>

APPLY NOW

Yearly tax base loss for Maui County:

The total TVR-STRH property tax owed for 2025 to Maui County is \$532,556.07. If those were converted to Owner Occupied Units total property tax owed to Maui County would be drop to \$29,904.16 each year. **This would be a loss to Maui County Property Tax of \$502,651.91 per year.**

Our monthlies are approx. \$3000 with the land lease and HOA fees which makes Maui Sands I unattainable affordable housing for local residents. Below is the breakdown of our land lease payments. One Bedroom ranges \$774.23 to \$855.25. Two bedroom range from \$1018.08 to \$1378.95. We are in the middle of the land lease purchase.

MAUI SANDS									
New Weinberg & New Robinson Lease Rent includes Peninsula									
New Apartment Lease Rents: 7/1/2017 - 6/30/2027									
Unit Number	Lease Rent Proportion	New Weinberg Monthly Apartment Lease Rent ^[1] <small>(incl Peninsula 12.5% override)</small>	New Robinson Monthly Apartment Lease Rent ^[2] <small>(incl Peninsula 12.5% override)</small>	Additional Monthly Apartment Lease Rent ^[3]	Total New Monthly Apartment Lease Rent without GET ^[4]	Total New Monthly Apartment Lease Rent with GET ^[5]	Total Old Monthly Apartment Lease Rent with GET ^[5]	Total Additional Rent Due through 10/31/2018	
2D	1.41480%	\$277.30	\$495.18	\$5.24	\$777.72	\$810.12	\$774.23	\$574.24	
1F 2A	1.45710%	\$285.59	\$509.99	\$5.40	\$800.98	\$834.35	\$797.39	\$591.36	
2H	1.47825%	\$289.74	\$517.39	\$5.48	\$812.61	\$846.46	\$808.96	\$600.00	
3A 3F 6A 6D	1.49940%	\$293.88	\$524.79	\$5.55	\$824.22	\$858.56	\$820.54	\$608.32	
1G 1M 2E	1.52055%	\$298.03	\$532.19	\$5.63	\$835.85	\$870.67	\$832.11	\$616.96	
3G 3M 6E 6H	1.56285%	\$306.32	\$547.00	\$5.79	\$859.11	\$894.90	\$855.25	\$634.40	
1B 1C 1D 1E 2B 2C	2.09351%	\$410.33	\$732.73	\$7.75	\$1,150.81	\$1,198.75	\$1,145.66	\$849.44	
3B 3C 3D 3E 6B 6C	2.13581%	\$418.62	\$747.53	\$7.91	\$1,174.06	\$1,222.97	\$1,168.81	\$866.56	
1H 1J 1K 1L 2F 2G	2.17384%	\$426.07	\$760.84	\$8.05	\$1,194.96	\$1,244.74	\$1,189.62	\$881.92	
3H 3J 3K 3L 6F 6G	2.21614%	\$434.36	\$775.65	\$8.21	\$1,218.22	\$1,268.97	\$1,212.77	\$899.20	
4B 4C 5B 5C	2.26260%	\$443.47	\$791.91	\$8.38	\$1,243.76	\$1,295.58	\$1,238.19	\$918.24	
4F 4G 5F 5G	2.34293%	\$459.21	\$820.03	\$8.68	\$1,287.92	\$1,341.57	\$1,282.16	\$950.56	
4A 4D 5A 5D	2.42753%	\$475.80	\$849.64	\$8.99	\$1,334.43	\$1,390.02	\$1,328.44	\$985.28	
4E 4H 5E 5H	2.50853%	\$491.67	\$877.99	\$9.29	\$1,378.95	\$1,436.40	\$1,372.77	\$1,018.08	
55 Units	112.5%	\$22,049.99	\$39,375.06	\$416.65	\$61,841.70	\$64,417.99	\$61,564.86	\$45,650.08	

Notes:
 [1] Master Lease rent: 50,282 sf (land area) X \$77.93/sf (land value) = \$3,920,000 (rounded project land value) X 6% (rate of return) = \$235,200 annual lease rent.
 [2] Master Lease rent: 70,188 sf (land area) X \$99.73/sf (land value) = \$7,000,000 (project land value) X 6% (rate of return) = \$420,000.00 annual lease rent.
 [3] \$5,000 additional rent owed in Master Lease. Over and above, and in addition to, all other rents provided under the Sublease.
 [4] Total apartment lease rent including Peninsula (aggregate 112.5% of master lease rent).
 [5] 4.166% General Excise Tax included.

This is a copy of my monthly HOA dues and maintenance fees at \$1647.39. Everyone pays this fee every month. Maui Sands is 60 years old and the maintenance effort and cost is large.

Maui Sands Association
 Destination Maui, Inc.
 380 Huku Li'i Place, Suite 206
 Kihei, HI 96753

Code	Date	Amount	Balance	Check#	Memo
Payment	5/3/2024	-1,647.39	0.00	8420755	DMUCABLB 050324.CAB
Maintenance	6/1/2024	1,647.39	1,647.39		Maintenance
Payment	6/5/2024	-1,647.39	0.00	8373124	DMUCABLB 060524.CAB
Maintenance	7/1/2024	1,647.39	1,647.39		Maintenance
Payment	7/5/2024	-1,647.39	0.00	8146035	DMUCABLB 070524.CAB
Maintenance	8/1/2024	1,647.39	1,647.39		Maintenance
Payment	8/5/2024	-1,647.39	0.00	8884858	DMUCABLB 080524.CAB
Maintenance	9/1/2024	1,647.39	1,647.39		Maintenance
Payment	9/5/2024	-1,647.39	0.00	8707802	DMUCABLB 090524.CAB
Maintenance	10/1/2024	1,647.39	1,647.39		Maintenance
Payment	10/4/2024	-1,647.39	0.00	8421772	DMUCABLB 100424.CAB
Maintenance	11/1/2024	1,647.39	1,647.39		Maintenance
Payment	11/5/2024	-1,647.39	0.00	8600321	DMUCABLB 110524.CAB
Maintenance	12/1/2024	1,647.39	1,647.39		Maintenance
Payment	12/5/2024	-1,647.39	0.00	8452180	DMUCABLB 120524.CAB
Maintenance	1/1/2025	1,692.83	1,692.83		Maintenance
Payment	1/3/2025	-1,692.83	0.00	8058408	DMUCABLB 010325.CAB
Maintenance	2/1/2025	1,692.83	1,692.83		Maintenance
Payment	2/3/2025	-1,692.83	0.00	8063971	DMUCABLB 020325.CAB
Maintenance	3/1/2025	1,692.83	1,692.83		Maintenance
Payment	3/3/2025	-1,692.83	0.00	8971371	DMUCABLB 030325.CAB
Maintenance	4/1/2025	1,692.83	1,692.83		Maintenance
Payment	4/3/2025	-1,692.83	0.00	8107493	DMUCABLB 040325.CAB
Maintenance	5/1/2025	1,692.83	1,692.83		Maintenance
Payment	5/2/2025	-1,692.83	0.00	8049881	DMUCABLB 050225.CAB
Maintenance	6/1/2025	1,692.83	1,692.83		Maintenance
Payment	6/3/2025	-1,692.83	0.00	8999083	DMUCABLB 060325.CAB
Maintenance	7/1/2025	1,692.83	1,692.83		Maintenance
Payment	7/3/2025	-1,692.83	0.00	8066927	DMUCABLB 070325.CAB
Maintenance	8/1/2025	1,692.83	1,692.83		Maintenance
Payment	8/1/2025	-1,692.83	0.00	8548278	DMUCABLB 080125.CAB
Maintenance	9/1/2025	1,692.83	1,692.83		Maintenance
Payment	9/3/2025	-1,692.83	0.00	8757899	DMUCABLB 090325.CAB
Maintenance	10/1/2025	1,692.83	1,692.83		Maintenance
Payment	10/3/2025	-1,692.83	0.00	8856555	DMUCABLB 100325.CAB
Maintenance	11/1/2025	1,692.83	1,692.83		Maintenance
Payment	11/3/2025	-1,692.83	0.00	8639354	DMUCABLB 110325.CAB

Balance: 0.00

This is our 2018 land lease monthly payment negotiation update for owners. Back in 2018 the two pieces of land was valued at \$10,920.00 back then. Current value is much higher as we try to negotiate the land lease purchase.

Maui Sands AOA

c/o Associa Hawaii
375 Huku Li'i Place #207
Kihei, HI 96753

September 20, 2018

Aloha Maui Sands Owners,

The Robinson land lease arbitration process has been completed and we can now share with you the lease amounts for the current 10-year period ending June 30, 2027.

Background:

As you are aware, Maui Sands leases two parcels of land from two different owners. The property that borders the road is owned by the Weinberg Foundation and the waterfront parcel is owned by the Robinson family. Both land leases currently extend through July 2037 and, under the terms of the lease, the lease rent rates were to be revised for the current 10-year period. The leases are bundled together in a "sandwich lease" arrangement, managed by Peninsula Properties, a successor company to the original development entity.

The Weinbergs extended their land lease at the same rates as the previous 10-year period over a year ago. However, the Robinsons initially wanted a much higher increase than we were prepared to accept. Your Board held firm that due to the seawall issues and Robinson's refusal to assist in that, we could not agree to this higher lease rent increase. Robinsons refused to budge nor would we, and so arbitration became necessary. This was a lengthy process over the past several months and the outcome is much better than what the Robinsons originally proposed for us.

The new lease amounts:

Each unit will be paying an increase of between \$32 to \$57 per month beginning November 1, 2018 (but retroactive to the end of the previous lease rent agreement of 7/1/17). The amount depends on the size and location of your unit based on a long-standing allocation formula.

More good news:

Minutes from a 1987 Annual Owners meeting were discovered in which it was agreed that Peninsula, the sandwich lease holders, would reduce their 25% surcharge to 12.5% beginning in July 2017. This is a considerable decrease from the 25% surcharge paid to Peninsula from 1992 until July 2017 and greatly affects our new payments making them much less of an increase for us!

A schedule of the new lease amounts for all Maui Sands' units is attached and is based on the following formula:

- **Weinberg:** \$235,200/year plus *\$5,000 (\$ 77.93 per sq. ft.) based on a land value of \$3,920,000 (rounded). * As part of the negotiations with Weinberg in the 1980's, Weinberg agreed to extending the lease for an annual "bonus" of \$5,000.

- **Robinson:** \$ 420,000/year (\$ 99.93 per sq. ft.) based on a land value of \$7,000,000.
- **Peninsula Surcharge:** Reduced from 25% to 12.5% of lease payments.

Retroactive “Catch Up” Payments:

As we have mentioned in previous letters and meetings, any lease rent increase would be retroactive to July 2017. Thus, in addition to the monthly increase, each unit will owe the difference between the previous monthly lease amount for the Robinsons and the new lease amount for the period from July 1, 2017 through October 31, 2018 (16 months) when we will begin paying the new lease amount.

Statements:

In addition to an individual mailing with your statement, you will be receiving a chart showing what each unit pays for lease (attached here also). Lease payments are subject to Hawaii’s GET (General Excise Tax), so the column that shows your new needed monthly payment amount is the **bold highlighted yellow** (or 3rd column from the left) labeled as “with GET”. **Note: Those on automated payment will have the new monthly fee withdrawn from your account on November 1, 2018.**

Monarch Properties handled the lease negotiations on behalf of our AOA and you will be receiving a mailing from them explaining the lease fee negotiations and the new fee amounts, as well. If you have any questions about the negotiations or how this amount was calculated, please contact Monarch Properties. Their contact information will be in the mailing you receive. We thank Monarch for once again doing a great job for us!

We are happy to have the lease fee negotiation completed for the next 10 years!

Maui Sands Board of Directors:

Karen Schoepp, President

David Bontorin, Secretary

Jean Rachkowski, Treasurer

Rosa McAllister and Mo Merheb, Directors

Below is our most current written summary for the leasehold purchase. Based on the cost of the land and the number of units Maui Sands has, it would roughly be \$196k to \$200K for each property unit. This is based on the two parcels valued at \$10,920,000.

Again based on the TIG Report, the land lease purchase would make Maui Sands | unattainable for local residents as affordable housing.

MONARCH PROPERTIES, INC.
LEASED-FEE REPRESENTATION PROGRAM

MAUI SANDS

Lease Issues Update

Keslie Hui (R)
September 2, 2025

The Board of Directors (“Board”) of the Association of Apartment Owners of Maui Sands (“AOAO”) hired Monarch Properties, Inc. (“MPI”) in 2010. Since then, MPI has represented the AOAO in its 2012 and 2017 lease rent renegotiations and has been helping the Board seek an acquisition of the leased-fee interests from the fee owners. We are currently in active discussions with the landowners to do a lease fee buy-out and would like to provide some background information and status of that process.

LESSORS

There are two master leases and 56 apartment subleases (“ASLs”), at the Maui Sands condominium project which means there are two fee owners and a sandwich interest owner as lessors.

The relationship between the fee owners and sandwich interest owner is contained in the two master leases. The relationship between the sandwich interest owner and the apartment owners are contained in the 56 individual ASLs.

The fee owners are the Robinson Maui Sands Partnership (“Robinson”) and the Harry & Jeanette Weinberg Foundation, Inc. (“Weinberg”), also known as master lessors, who own the leased-fee interest in the land. The leased-fee interest is the fee interest in the land and is subject to the master lease and ASLs. It has the reversionary interest in the land (surrender of the property at the end of the lease) and rights to income (part of the lease rent).

The sandwich interest owner is Peninsula Development Hawaii, Inc. (“Peninsula”) also known as the master lessee or sublessor. The sandwich interest is essentially a cash flow interest. It has income (part of the lease rent) but no real property ownership and it expires when the ASLs expire.

The ASLs appoint the AOA to renegotiate the master lease rent with the master lessors (Robinson and Weinberg) for the master lessee (Peninsula). It is fairer to have the AOA (who naturally wants the lowest amount) determine land value with the master lessors, rather than have the master lessors and master lessee do it themselves since both naturally want the highest amount.

There is one (1) remaining lease rent renegotiation date: 7/1/27. Lease expiration is 6/30/37.

RECAP OF PREVIOUS NEGOTIATIONS

In 2012, the AOA successfully renegotiated the new lease rent with Robinson and contracted for the purchase of Weinberg's leased-fee interest. However, the AOA was not able to secure financing of the acquisition of Weinberg's interest primarily as it was only for one of the two fee owner interests. The AOA had also offered to purchase Robinson's interest but the value Robinson was seeking at that time, combined with acquiring Weinberg and Peninsula's sandwich interest, would be too high to be financeable or feasible for the AOA and its owners. There were also other factors of concern at that time that lenders could not overlook.

In 2017, the lease fee negotiation with Weinberg resulted in the same lease rent for the previous five years. Negotiations with Robinson were not as simple as they chose to arbitrate the new rent for their parcels of land. The new rent with Robinsons was set in 2018 via an arbitration award.

CURRENT STATUS OF FEE CONVERSION OFFER

The AOA made a new, joint offer to both fee owners this summer. Robinson owns the oceanfront section of the property and is managed by five (5) General Partners, with a total of about 20 family partners. The roadside section of the property is owned by Weinberg.

The fee owners acknowledged receipt of the offer and most (but not all) of the relevant decision makers have expressed interest in further discussions about a possible sale to the AOA. Price and terms of the AOA's offer will be kept confidential at this time, as these matters are highly sensitive while we seek to engage the fee owners in a productive dialogue. Please keep in mind that the fee owners are under no obligation to sell, but we nonetheless believe that a sale and fee conversion at this juncture could be beneficial for all parties.

While the Board and I cannot guarantee you specific result or timeframe, we can assure you of our best efforts in the interests of the AOA and its leasehold members.

I will update you as soon as there is more to report. Meanwhile, if you have any questions, please feel free to contact me at keslie@mpi-hi.com.

We are an ocean front property. We have two buildings right behind the seawall and four other building behind those two building. This is the cost of the flood insurance every year. It goes up every year 5-9% as we are in the **Sea Rise Impact Zone defined by the State of Hawaii.**



A Stock Company
P.O. Box 33003
St. Petersburg, FL 33733-8003
Customer Service: 1-800-820-3242
Claims: 1-800-725-9472
FLOOD DECLARATIONS PAGE
RENEWAL
National Flood Insurance Policy

Policy Number	NFIP Policy Number	Product Type:
52 1151921250 05	1151921250	Residential Condominium Building Policy Form

Policy Period	Date of Issue	Agent Code	Prior Policy Number
From: 2/09/25 To: 2/09/26 12:01 am Standard Time	02/18/2025	0600305	FLD1190883

Agent (809)540-3333
BROWN & BROWN INSURANCE SERVICES INC
700 BISHOP ST STE 1400
HONOLULU HI 96813-4116
JOSIE.CERVANTES@BBROWN.COM

AOAO MAUI SANDS CONDO ASSN UNIT OWNERS
ATIMA CO DESTINATION MAUI INC
380 HUKU LII PL STE 206
KIHEI HI 96753-7043

Property Location (if other than above)
3559 LOWER HONOAPIILANI RD, BLDG 6, LAHAINA HI 96761
Address may have been changed in accordance with USPS standards.

Rating Information

Rate Category: Rating Engine
Primary Residence: N
Building Occupancy: Residential Condominium Building
Building Description: Entire Residential Condo Building

Flood Risk: AE
First Floor Height: 1.0 ft
Method Used to Determine First Floor Height: FEMA Determined
Date of Construction: 06/30/1969
Prior NFIP Claims: 0
Number of Units: 8
Replacement Cost Value: 1,694,000

Property Description: Slab on Grade, 2 floors

Coverage	Deductible	Annual Premium
BUILDING	\$1,694,000	\$24,784.00
CONTENTS NO CONTENTS COVERAGE	INSURED DECLINED CONTENTS COVERAGE	\$0.00

Your property's NFIP flood claims history can affect your premium. For more information contact your insurance agent or company.

ICC Premium: \$75.00
Community Rating Discount: \$11.00
FULL RISK PREMIUM: \$24,848.00
Statutory Discounts
Annual Increased Cap Discount: \$7,567.00
DISCOUNTED PREMIUM: \$17,261.00
Reserve Fund Assessment: \$3,111.00
Federal Policy Service Fee: \$376.00
HFIAA Surcharge: \$250.00
TOTAL ANNUAL PAYMENT \$21,018.00

THIS IS NOT A BILL

Premium Paid by: Insured

Forms and Endorsements:

FFL 99.310 0224 0224 WFL 99.416 1021 1021 FFL 99.117 1021 1021

This policy is issued by NAIC company 11523
Wright National Flood Insurance Company A stock company
Copy Sent To: As indicated on back or additional pages, if any.

Patricia Templeton-Jones
Patricia Templeton-Jones, President

060030552115192125025049

00004

Company



A Stock Company
P.O. Box 33003
St. Petersburg, FL 33733-8003
Customer Service: 1-800-820-3242
Claims: 1-800-725-9472
FLOOD DECLARATIONS PAGE
RENEWAL
National Flood Insurance Policy

Policy Number	NFIP Policy Number	Product Type:
52 1151817411 05	1151917411	Residential Condominium Building Policy Form

Policy Period	Date of Issue	Agent Code	Prior Policy Number
From: 2/09/25 To: 2/09/26 12:01 am Standard Time	02/18/2025	0600305	FLD1190880

Agent (809)540-3333
BROWN & BROWN INSURANCE SERVICES INC
700 BISHOP ST STE 1400
HONOLULU HI 96813-4116
JOSIE.CERVANTES@BBROWN.COM

AOAO MAUI SANDS CONDO ASSN UNIT OWNERS
ATIMA CO DESTINATION MAUI INC
380 HUKU LII PL STE 206
KIHEI HI 96753-7043

Property Location (if other than above)
3559 LOWER HONOAPIILANI RD, BLDG 3, LAHAINA HI 96761
Address may have been changed in accordance with USPS standards.

Rating Information

Rate Category: Rating Engine
Primary Residence: N
Building Occupancy: Residential Condominium Building
Building Description: Entire Residential Condo Building

Flood Risk: AE
First Floor Height: 1.0 ft
Method Used to Determine First Floor Height: FEMA Determined
Date of Construction: 06/30/1969
Prior NFIP Claims: 0
Number of Units: 12
Replacement Cost Value: 2,662,000

Property Description: Slab on Grade, 2 floors

Coverage	Deductible	Annual Premium
BUILDING	\$2,662,000	\$39,024.00
CONTENTS NO CONTENTS COVERAGE	INSURED DECLINED CONTENTS COVERAGE	\$0.00

Your property's NFIP flood claims history can affect your premium. For more information contact your insurance agent or company.

ICC Premium: \$75.00
Community Rating Discount: \$1,922.00
FULL RISK PREMIUM: \$37,177.00
Statutory Discounts
Annual Increased Cap Discount: \$10,073.00
DISCOUNTED PREMIUM: \$27,104.00
Reserve Fund Assessment: \$4,879.00
Federal Policy Service Fee: \$564.00
HFIAA Surcharge: \$250.00
TOTAL ANNUAL PAYMENT \$32,797.00

THIS IS NOT A BILL

Premium Paid by: Insured

Forms and Endorsements:

FFL 99.310 0224 0224 WFL 99.416 1021 1021 FFL 99.117 1021 1021

This policy is issued by NAIC company 11523
Wright National Flood Insurance Company A stock company
Copy Sent To: As indicated on back or additional pages, if any.

Patricia Templeton-Jones
Patricia Templeton-Jones, President

06003055211519174125049

00008

Company



MAINTENANCE SCHEDULE AND FEES

Maui Sands I is 60 years old and is ocean front property. As such the maintenance cost and effort is high. Maui Sands has and is dererring maintenance as we struggle to keep up a certain level of maintenance.

I have owned at Maui Sands since 2005 and I can attest to the maintenance struggle because of the ocean and the high cost of maintenance. Currently we have a spalling project that has gone out to bid and has returned bids at approx. half a million to near a million for this project. Way beyond what was budgeted.

Item No.	Major Component	Est. Useful Life	Est. Remain. Life	Estimated Cost to Replace	2025
Spalling & Repairs					
70	CMU Block - Gutter Installation Repair/Replace Allowance.	99	1	80,000	80,000
71	Decorative Dividing Walls - Bldgs 4,5 Repair Allowance	15	1	8,500	8,500
72	Exterior Surfaces - Major Spall Repairs (4%)	20	3	117,600	-
73	Exterior Surfaces - Minor Spall Repairs (2%)	20	13	58,800	-

The snippet below shows our monthly maintenance cost and that we are under funded by 65.47%. This equals to about \$1,393,449 being underfunded for maintenance.

Effective January 01, 2025

l

		2025
CASH FLOW METHOD:		
		0%
CASH RECEIPTS		
1.	Assessments	\$ 191,796
2.	Interest Earned @ 3.0%	6,000
3.	Total Cash Receipts	\$ 197,796
4.	Less Major Component Costs - Section II	-252,900
5.	Net Increase (Decrease) In Cash	\$ (55,104)
6.	Cash Reserve Balances At Beginning Of Year (1)	790,178
7.	Cash Reserve Balances At The End Of Year (2)	735,074
PERCENTAGE OF LIABILITY METHOD:		
8.	Estimated Total Liability - Section III	\$ 2,381,423
9.	Less Major Components Paid In Current Yr	-252,900
10.	Net Liability at Dec 31	\$ 2,128,523
11.	Less: Cash Balance at Dec 31	-735,074
12.	Estimated Unfunded Liability at Dec 31	\$ 1,393,449
13.	Percentage Funded (3)	34.53%
14.	Percentage Unfunded	65.47%

SEA LEVEL RISE AND VULNERABLE EXPOSURE AREA

I have looked at the Sear-Rise Impact Study and model used by the State of Hawaii. We are right in the middle of the impact zone as our neighbors to the left and right of us are that were included on Exhibit 2. It shows yet another reason why Maui Sands is not an attainable affordable housing option for local residents with possible risky devastating sea level rise.

I have attached a parcel map view of Maui Sands I (440010530000) , Maui Sand 2 (Seaside) (440010710000) and Paki Maui (440010510000). Both properties Maui Sand 2 and Paki Maui were included on Exhibit 2 as well as a number of properties extending out to the left and right of us. Maui Sands I was not. Maui Sands I is in the bottom of the photo. This puts Maui Sands I right in the middle of the sea-rise area and is at risk just like all the other properties around us who are on Exhibit 2.

You can see that Maui Sands I is much closer to the ocean than Paki Maui (upper property) and a tad bit closer to the ocean than Maui Sands 2 (between Maui Sands I and Paki Maui). Both properties have a bit less of a danger of sea level rise and subsequent erosion than Maui Sands I.



Below is an excerpt giving guidance to evaluate the two sea level rises in the SLR-XA. The map shows that we are in an area that would be vulnerable to sea rise of the 4 ft and 6 ft that State of Hawaii says is the minimum scenario we should be planning for. At ½ foot to 4 feet, Maui Sands I is very vulnerable to sea rise. During the Fukushima Tsunami, the ocean front buildings experienced flooding when the tsunami hit. Below is text taken from 2022 Hawaii Sea Level Rise. Attached are screen shots of Maui Sands I and possible road/hi-way flooding that would occur at the sea levels that rise.

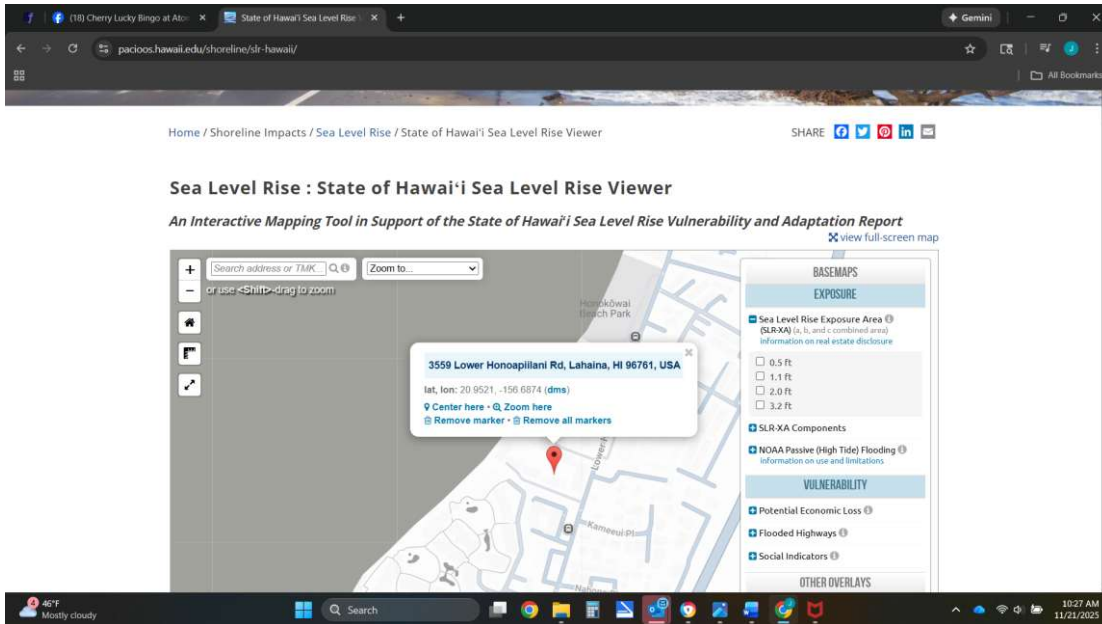
Per the TIG Report text “*properties where any portion of the property is located in the full SLR-XA or would already impacted by sea-level rise would not produce long-term housing options for residents and therefore be appropriate to continue TVR uses*”.

Guidance from the State of Hawai'i based on the [2022 Hawai'i Sea Level Rise Vulnerability and Adaptation Report](#) recommends evaluating two sea level rise scenarios depending on tolerance for risk:

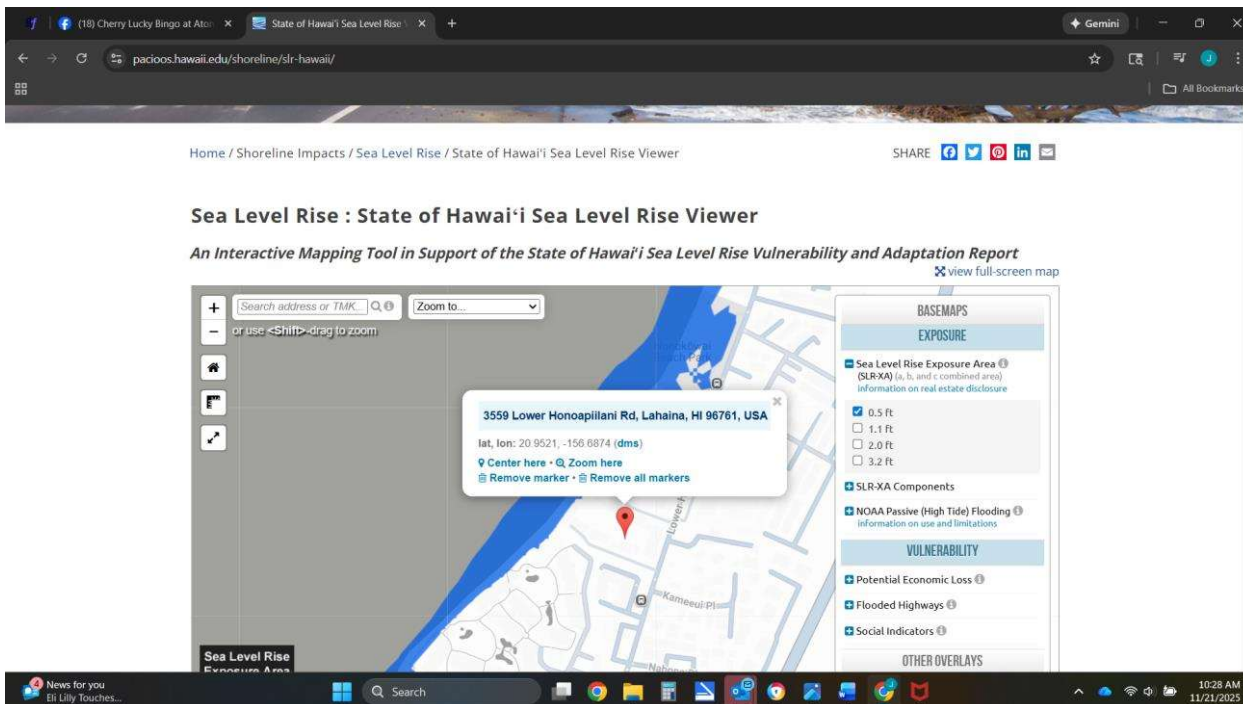
1. **4 feet** of sea level rise should be considered as the minimum scenario for *all planning and design*. This is following the latest NOAA interagency sea level rise report ([Sweet et al., 2022](#)) based on the report's Intermediate (mid-range) scenario for Hawai'i of 3.9 feet of sea level rise by 2100. **Continue to use the 3.2-foot SLR-XA and NOAA 4-foot passive flooding map data until updated SLR-XA data are available.**
2. **6 feet** of sea level rise should be considered for *planning and design of public infrastructure projects and other projects with low tolerance for risk*. This is based on the NOAA 2022 report's Intermediate-High scenario for Hawai'i of 5.9 feet of sea level rise by 2100. **Use the 3.2-foot SLR-XA along wave-exposed shorelines and NOAA 6-foot passive flooding map data in areas landward of annual high wave and coastal erosion hazard areas until updated SLR-XA data are available.**

Zero Sea Rise: this is our baseline and we move forward as recommended on this model of sea rise from the State of Hawaii to see the level of erosion and destruction for Maui Sands I

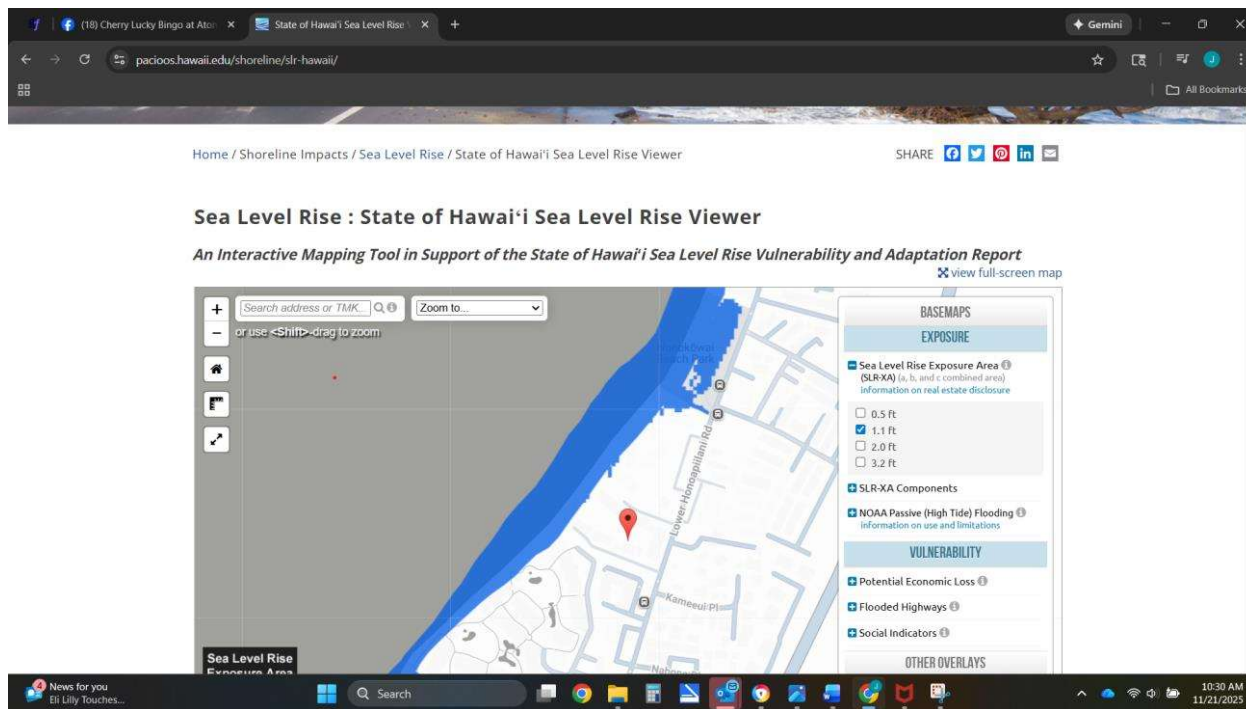
ZERO- SEA RISE BASELINE



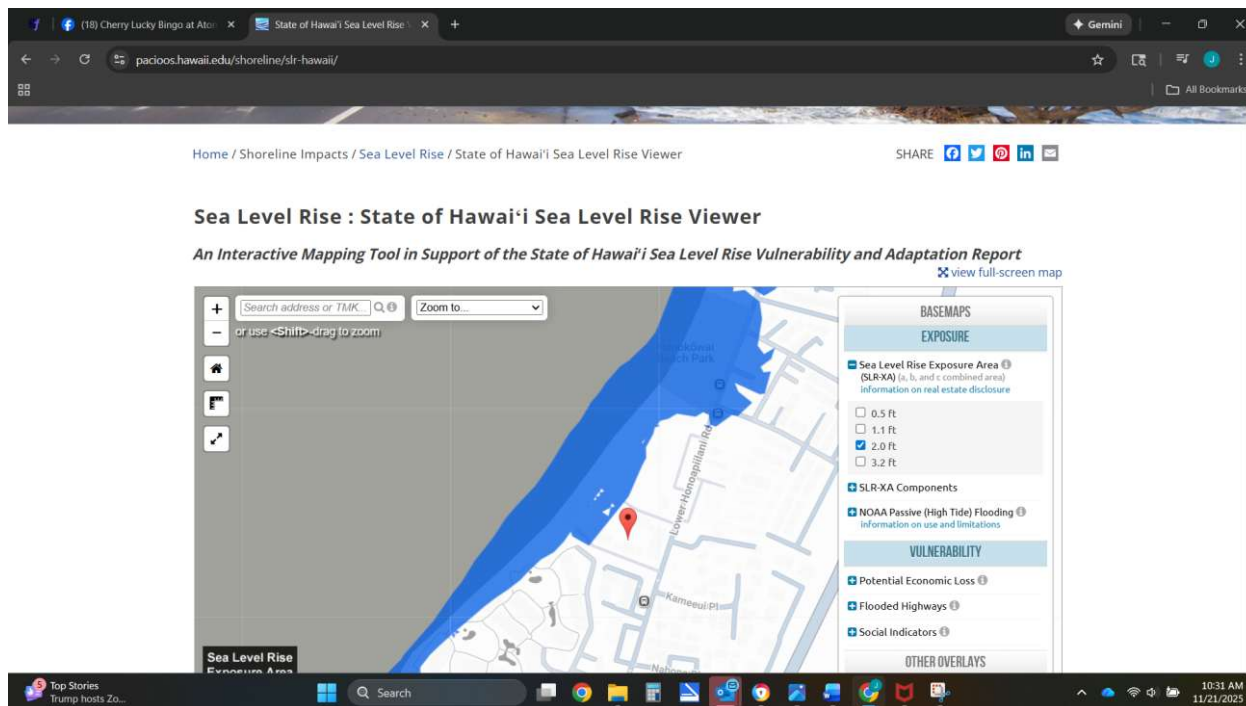
.5 SEA RISE – FLOODING WOULD OCCUR AT THE TWO OCEAN FRONT BUILDINGS



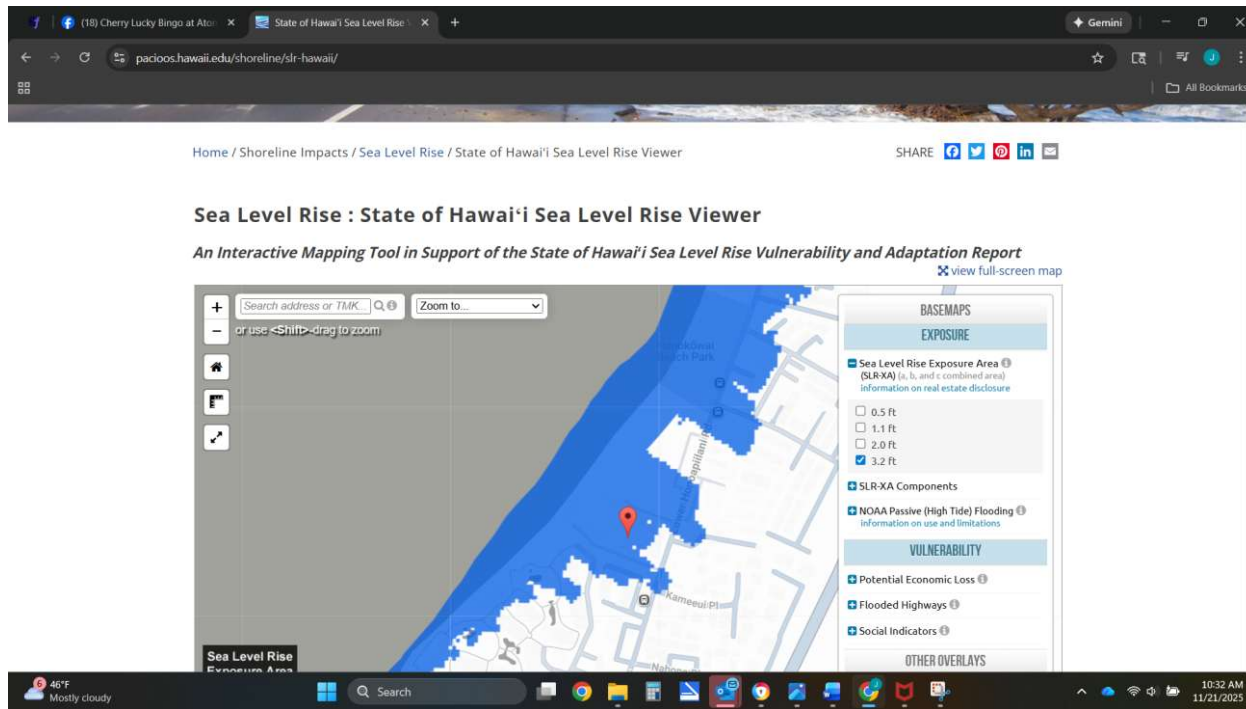
1.5 ft - SEA RISE FLOODS THIRD OF THE LAND AT MAUI SANDS I



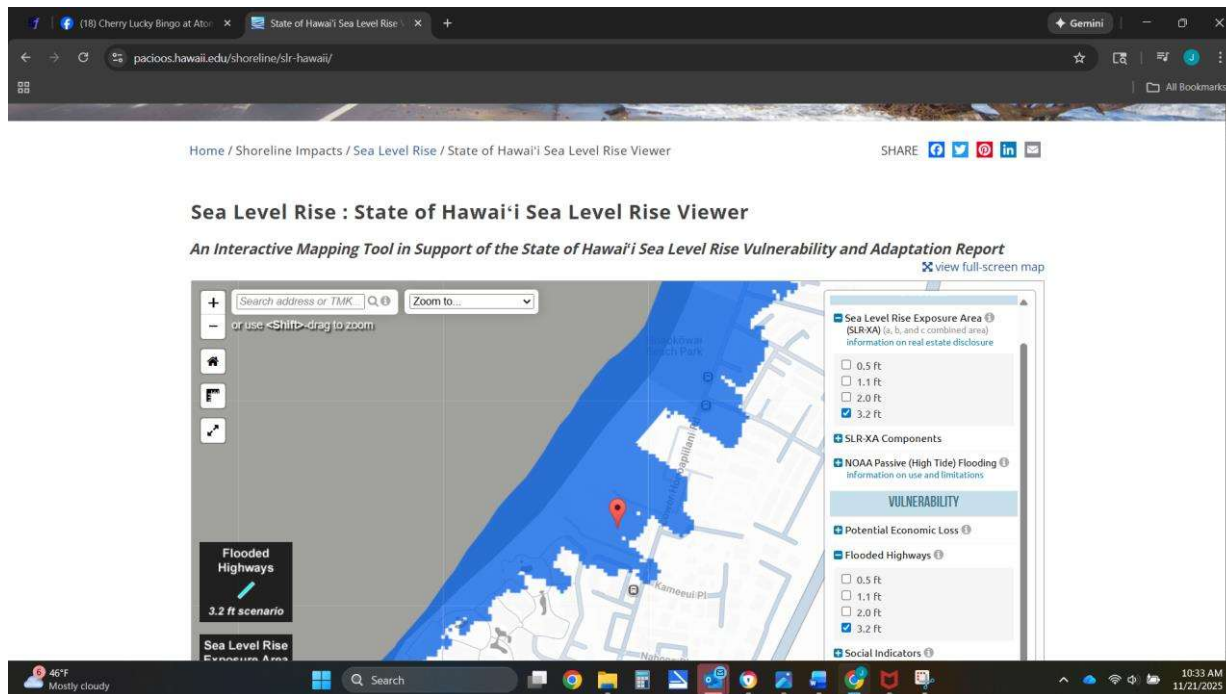
2 ft - SEA RISE FLOODS NEAR HALF THE LAND AT MAUI SANDS I



3.2 FT - SEA RISE FLOODS ALL OF MAUI SANDS I

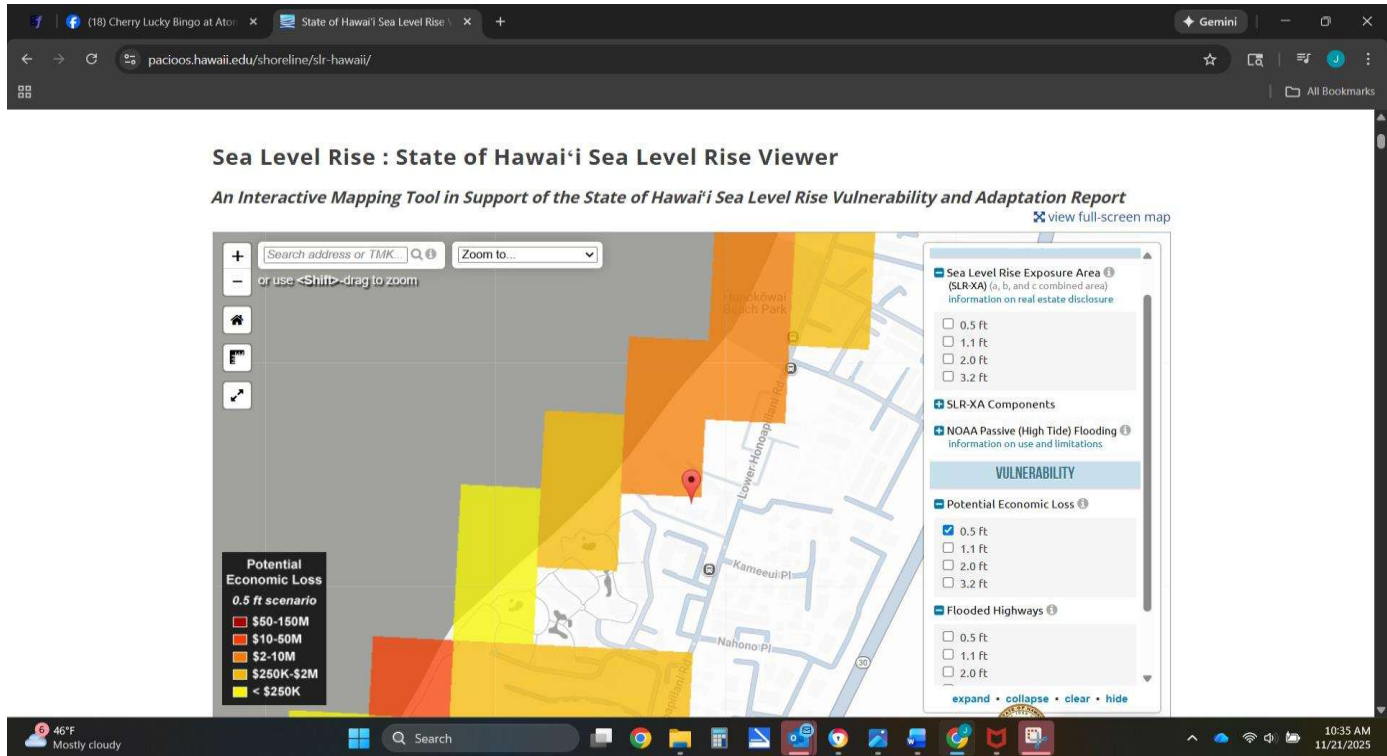


3.2 FT - FLOODS ALL OF MAUI SANDS I AND THE ROAD IN FRONT

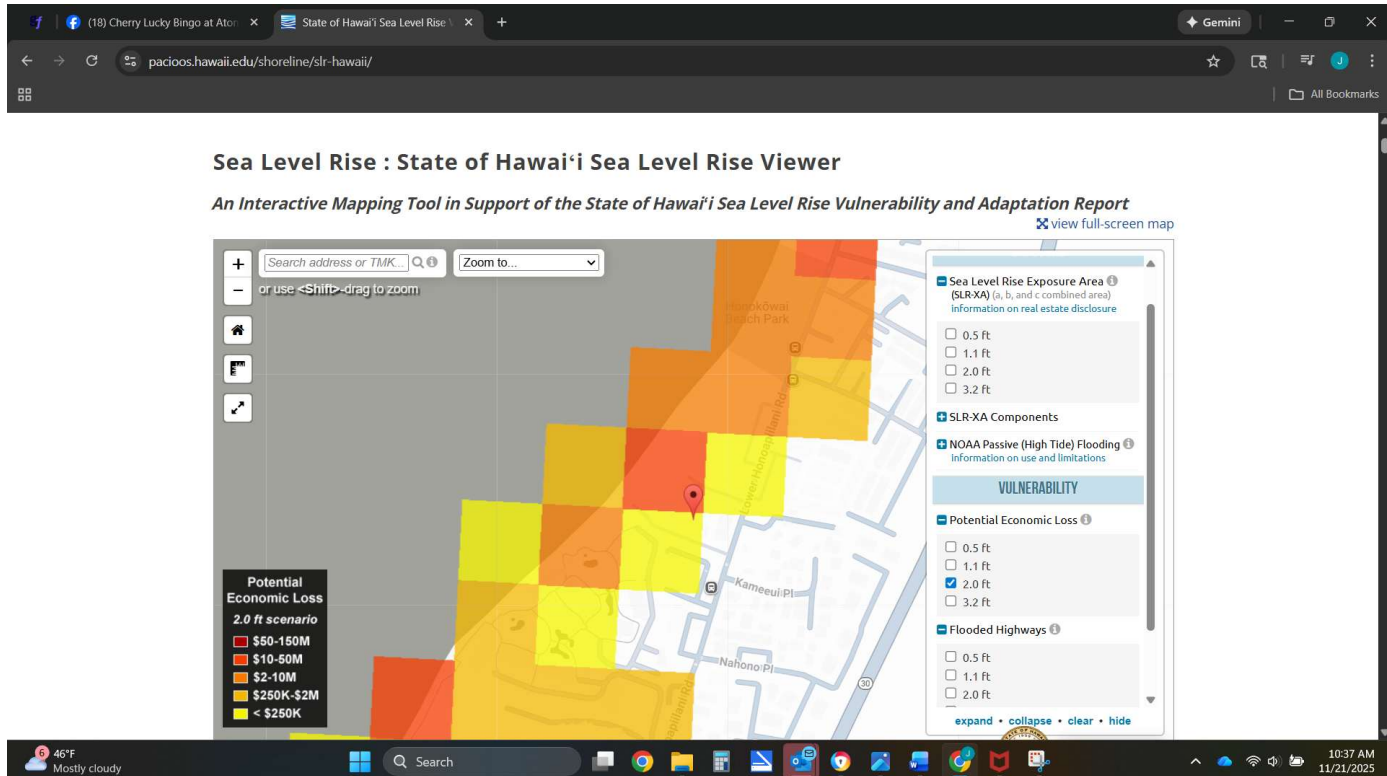


ECONOMIC DAMAGE MAUI SANDS WOULD RECEIVE:

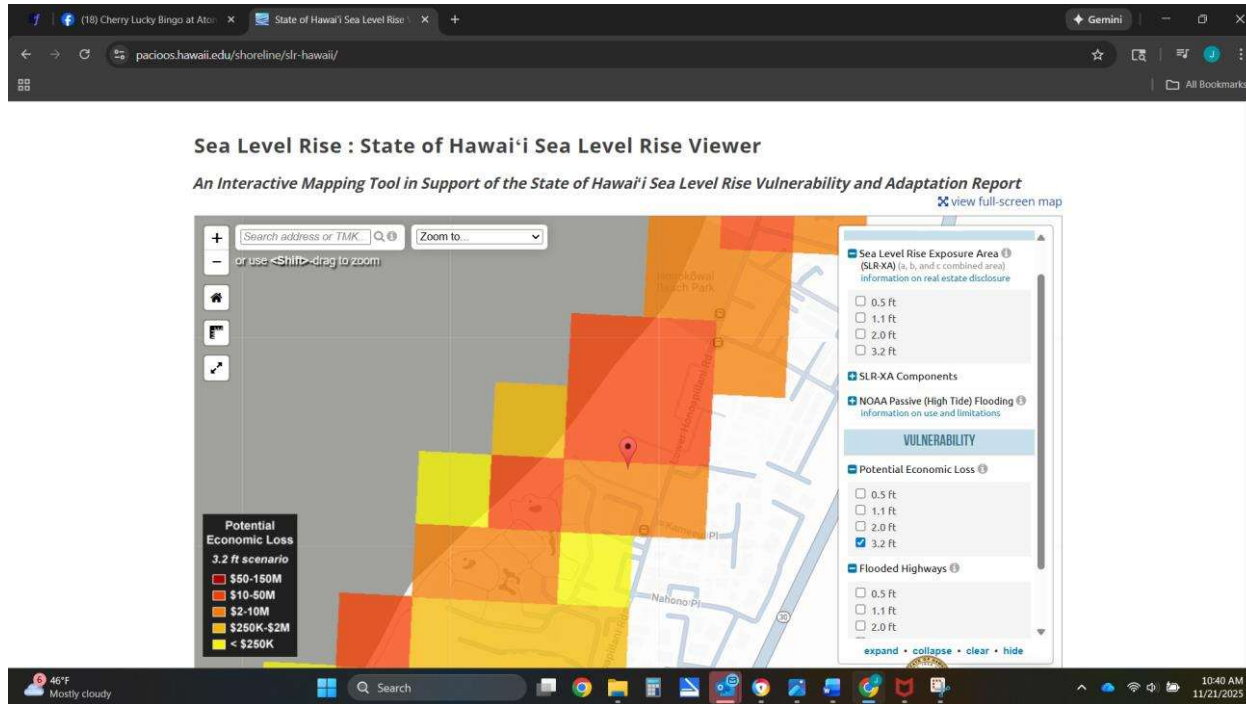
.5 SEA RISE - TRANSLATES INTO A \$250,000 to \$2,000,000 ECONOMIC LOSS FOR MAUI SANDS.



2 ft SEA RISE TRANSLATES INTO A \$2,000,000 to \$50,000,000 ECONOMIC LOSS FOR MAUI SANDS



3.2 SEA RISE STILL TRANSLATES INTO A \$2,000,000 TO \$10,000,000 ECONOMIC LOSS FOR MAUI SANDS



Coastal erosion estimated by the State of Hawaii shows the vegetation line and the erosion estimate by the State of Hawaii from .5 ft to 3.2 ft. will occur. This sea level rise would be catastrophic and the damages for Maui Sands I would be from \$250k to \$10 Million is loss. Overtime, our seawall may not protect Maui Sands as much as might be needed.

UNACCOUNTED FOR LEASEHOLD PAYMENTS OF \$500,000

TIG Report commented on page 8 about litigation. **The TIG also acknowledges that properties that are subject to litigation are (1) less likely to be sold; and (2) less likely to be bought by local residents.**

I am not accusing anyone one of any wrong doing. We are missing approx. \$500,000 in lease hold payments to lease holders. We do not collect these fees. We have a sandwich lease that is between us and the owners of the land, the Robinsons and Weinbergs Foundations. The lease payments are collected by the Peninsula Sandwich Lease and Peninsula keeps an agreed upon 15% and pays the land lease due to the Robinsons and Weinbergs.

Below are emails that verify this problem. The main owners of the sandwich lease, which I think is a total of 5 owners are in their 80s and elderly and not in good health. Earlier this year the two main people, a married couple, quit doing their sandwich lease responsibility. I was told because of failing health. That responsibility is cashing and accounting for land lease payments. All the owners were wondering what was going on. The other members of Peninsula refused to take over because of the missing payments.

There is email from me to their attorney about this. For me, the missing payments came to light as we were wondering why land lease payments were not being cashed for months. There has yet to be a forensic accounting of the missing payments.

As our board president said, if the Robinsons and Weinbergs can not resolve this with Peninsula, they will look to us to pay it. Meanwhile the threat of liens on each of our units is very real.

We at Maui Sands are probably faced with some sort of litigation that includes hiring attorneys and possibly pay for a forensic accountant if we want this issue resolved. This will be a costly and time-intensive effort. There is \$500,000 missing in payments to the landlords, Robinsons and Weinbergs.

Below is a letter to the Peninsula Trustees from our attorney. I have also attached a couple emails. One from Peninsula Lease Attorney and Robinsons Trust Attorney. We are hoping this is just accumulated missing payments that can easily be resolved by a forensic accountant. For example: during 2008 real estate bust, there were no lease hold payments made for quite awhile on multiple condo that went into bankruptcy and sold in foreclosure.

Keri C. Mehling, Attorney at Law
a limited liability law company
PO Box 2050, Kihei, Maui, Hawaii 96753
(808) 419-6299
keri@yourmauilawyer.com

January 17, 2025

Via CMRRR and U.S. Mail

Adel Kunisawa (pendevhawaiiitrust@gmail.com)
Ryosuke Kunisawa
Peninsula Development-Hawaii Trust
119 Bagwell Farm Road
Spartanburg, SC 29302

Re: Maui Sands Association of Apartment Owners – Payment of Lease Fee

Dear Adel and Kay:

This office continues to represent the Association of Apartment Owners of Maui Sands (the "Association"). I write with respect to questions the owners at Maui Sands have regarding the payment of the lease rents.

I understand that you have both resigned your position(s) as trustees of the Peninsula Development Hawaii Trust ("Trust"). The Trust is in the 'sandwich' position on the underlying land lease and is obligated to collect the lease fee from owners and pay the relevant portions to landowners Robinson Maui Sands Partnership and The Harry and Jeannette Weinberg Foundation, Inc.

Given your resignation and the lack of communications to the ownership as to where they should continue to send payment, I write to get clarification from you. Please advise:

- 1) Where payments are to be sent;
- 2) Who is the appropriate contact person or new Trustee acting on behalf of the Trust along with their contact details (phone and email and address if different from above); and
- 3) Whether all lease rent payments made by ownership to date have been forwarded to the landowners.

As I am sure you can appreciate, the ownership is very concerned that their payments are being properly processed and accounted for so there will be no impairment or encumbrance on the title of their respective apartments. Due to the lack of communication on this issue, we understand some owners are considering opening escrow accounts and depositing their lease rent to such an account until they receive formal notice from the Trust as to its course of action. For all parties, we would like to help avoid that by providing the information requested above to our ownership.

BELOW IS AN EMAIL TRAIL FROM PENINSULA DEVELOPMENT ATTORNEY, PAUL HORIKAWA WHO IS RESPONSIBLE FOR COLLECTING AND PAYING THE TWO LEASE HOLDERS. I ASKED QUESTIONS CONCERNING THIS. HE REPLIED

BELOW. PLEASE NOTE HE HAS NO IDEA HOW TO RESOLVE THIS MATTER. ALSO AS I UNDERSTAND IT, THE ACCOUNTING RECORDS OF PENINSULA DEVELOPMENT ARE NOT UP TO PAR AS THEY SHOULD BE.

“ John Chaisson:

I am working with representatives of the Sublessor on this matter. I don't know how this matter will be resolved.”

- Aloha – we sent the letter in Jan. No one at Maui Sands has said anyone has contracted us back.

Who are you representing?

From: Paul Horikawa <phorikawa3316@gmail.com>

Sent: Tuesday, May 20, 2025 11:23 AM

To: John Chaisson <John@atomicbudz.com>

Subject: Re: maui sands sandwich lease

John Chaisson:

I am working with representatives of the Sublessor on this matter. I don't know how this matter will be resolved.

Paul L. Horikawa

Law Office of Paul L. Horikawa

2233 Vineyard Street, Suite E

Wailuku, Hawaii 96793

Telephone No. (808) 244-4671

On Tue, May 20, 2025 at 7:48 AM John Chaisson <John@atomicbudz.com> wrote:

Opps I forgot one email

From: John Chaisson

Sent: Tuesday, May 20, 2025 10:48 AM

To: phorikawa3316@gmail.com; gaif2000@yahoo.com; rtiedeman197@gmail.com; tuck06@comcast.net

Subject: maui sands sandwich lease

Importance: High

Aloha – I am trying to get to someone who can actually help us.

The Kunisawas have resigned their roles as beneficiaries. Here at maui sands we all have a problem.

The accounting of the collection of lease payments is wrong for many people.

We have checks cashed and not accounted for and checks not cashed.

Who do we all need to contact to straighten this out?

mahalo

Law Office of Paul L. Horikawa
2233 Vineyard Street, Suite E
Wailuku, HI 96793

Phone: (808) 244-4671 Fax: (808) 249-0124

This is an email from our current Board President. As she suggests, this liability very well might turn back to us as the lease holder could lien each and every unit until they get paid back. Recently the sandwich lease, Peninsula hired estate accounting firm in Honolulu to help (2026).

Hi John,

All good points. Unfortunately, all parties are being non-responsive except the Weinbergs. In responses to your points specifically:

- all parties have been included in the letters and emails from our attorney (all three Peninsula beneficiaries, Robinson, Weinberg and attorneys for Peninsula, Weinberg & Robinsons)
- We don't know what happens to Kunisawa's share of the Trust if they pass away. They have children, so I would assume it is an asset that passes to the whoever they have designated as their beneficiary of that asset. We do not have access to their Trust agreement.
- Peninsula has the responsibility to respond and if they do not, the landowners. The sale that is pending is owned by Global Connection (vacation time share) and they have a representative sitting on our board and are in good position to push this issue as they are able to
- lease rate is set every 10 years and is a negotiation between Peninsula & Landowners, but Peninsula has given the right of negotiation to the board of Maui Sands and historically, they have hired Monarch Properties to broker the deal. That contract also requires Monarch to represent us in any buy-out we do
- Kunisawas have previously informed us that Peninsula would be supportive of a buy-out. We believe they are in conversation with Weinberg / Robinson to resolve this. Our attorney has suggested several paths forward (dissolve the Trust as part of the buy-out deal, hire a bank to be trustee, have one of the landowners take over the trustee position).

Agree, it seems like it would be in the best interest of the landowners & sandwich lease owners to resolve this to limit their liability. But, it is not an association responsibility, unless it can be tied to a buy-out and we agree to take on that responsibility.

Best, Glenna