HLU Committee

From:	McKenna Woodward <mckennaw@oha.org>
Sent:	Tuesday, August 4, 2026 6:15 PM
To:	HLU Committee
Cc:	Leina'ala Ley; Deja Ostrowski
Subject:	Office of Hawaiian Affairs Testimony in Opposition to Resolutions 26-129 &26-130
Attachments:	OHA Testimony in Opposition to Resos 26-129 & 26-130_Maui HLU.pdf
Importance:	High

Aloha,

On behalf of the Office of Hawaiian Affairs, please accept the attached written testimony in opposition to Resolutions 26-129 and 26-130, scheduled for public hearing in the Housing and Land Use Committee tomorrow morning.

Mahalo,

McKenna Woodward
ʻAho Pueo Kulekele Aupuni | Public Policy Advocate
Office of Hawaiian Affairs
P: (808) 582-0537 | E: McKennaW@OHA.org
560 N. Nimitz Highway, Honolulu, HI 96817
www.oha.org

Maui County Housing and Land Use Committee
Public Hearing
Planning Conference Room
Kalana Pakui Building, 250 South High Street
Wailuku, Hawaiʻi
August 5, 2026
9:00 a.m.

Testimony in Opposition to Resolutions 26-129 and 26-130

REFERRING TO THE MAUI PLANNING COMMISSION PROPOSED BILLS TO AMEND THE KIHEI-MAKENA COMMUNITY PLAN AND WEST MAUI COMMUNITY PLAN, AND TO CHANGE THE ZONING FOR CERTAIN A-1 AND A-2 APARTMENT DISTRICT PROPERTIES INTO THE H-3 AND H-4 HOTEL DISTRICTS

Aloha e Chair U'u-Hodgins, Vice Chair Batangan, and Members of the Maui County Housing and Land Use Committee:

The Office of Hawaiian Affairs (OHA) respectfully submits this testimony in OPPOSITION to Resolutions 26-129 and 26-130, which initiate community plan amendments and zoning changes to the Maui Planning Commission to permanently convert additional Apartment District properties into the newly created H-3 and H-4 Hotel Districts.

OHA supported Ordinance 5909, commonly referred to as Bill 9, because it sought to restore apartment-zoned lands to their residential purpose and respond to severe housing pressures affecting Maui residents, including Native Hawaiian beneficiaries. OHA opposed Bill 88 before the Maui County Council and before the Maui, Lānaʻi, and Molokaʻi Planning Commissions because it created a pathway to preserve transient accommodations before the County adopted clear, property-specific standards. All three planning commissions recommended denial of Bill 88, yet the Council adopted it and created the H-3 and H-4 Hotel Districts. Now before the Committee is the decision to push forward permanent rezoning properties for hotel use, or to pause, and allow a meaningful opportunity to see some housing in apartment districts return to residential use.

Just eight months since the passage of Bill 9, Resolutions 26-110 and 26-111 have already advanced to the Maui Planning Commission, moving to permanently re-zone approximately 2,056 units. These resolutions would refer another 498 units for possible reclassification into H-3 and H-4. Together, these measures place approximately 2,554 units, or more than one-third of the roughly 7,000 units affected by Bill 9, on a path toward permanent hotel zoning.

That is a significant land-use decision. The County should not rush to permanently remove potential homes from the residential framework created by Bill 9 without parcel-specific review, objective criteria, and a clear public-interest justification.

Bill 9 Is Already Creating Local Housing Opportunities, Requiring the Council to Pause

The Department of Finance's own data undercuts the assumption that Bill 9 cannot produce meaningful local housing benefits or affordable home-ownership opportunities. Of 101 affected properties sold after Ordinance 5909 took effect, 25 were purchased by local buyers, at an average price of approximately $452,000.[1] Building even a few new homes would require millions of dollars in public and private investment for construction along associated infrastruture and water availability considerations. In contrast, preserving the possibility that existing units may return to local homeownership requires only that the Council wait for action, allow Bill 9 a meaningful opportunity to work. There is no comparable urgency to permanently protect transient accommodation use.

OHA does not suggest the same percentage of local opportunities will apply to every future sale or to every property included in these resolutions. **However, data shows the housing pathway for local residents from Bill 9 is real and meaningful.** The Council should not prematurely and permanently foreclose this pathway. Community advocates who have conducted parcel-specific review have also identified some of the properties included in these resolutions as among the more affordable units with the greatest potential for local ownership. Any decision for these properties at this time, including preservation of hotel use, involves uncertainty. It is also speculative to assume that permanent hotel zoning is the best public-policy outcome for these properties. **What is not speculative is the effect of rezoning. If these properties are rezoned into H-3 and H-4, they will be permanently removed from the residential framework created by Bill 9 and reserved for transient accommodation use.**

Permanent Rezoning Further Burdens Maui Residents and Native Hawaiian Beneficiaries

Potential economic impacts warrant planning and consideration, but they do not justify permanent hotel zoning on the current record. The University of Hawaiʻi Economic Research Organization found that 85 percent of affected apartment-zoned transient vacation

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[1] County of Maui Department of Finance, "HLU-16 Bill 88 (2026) - Correspondence from Finance 06-22-2026," https://mauicounty.legistar.com/View.ashx?M=F&ID=15650180&GUID=9DAFB7EB-8C31-472A-9F7D-715AF0DBEC93.

rental owners have out-of-state mailing addresses.[2] **These reclassifications would therefore largely preserve valuable visitor-accommodation entitlements for nonresident owners, while Maui residents continue to carry the housing burden.**

OHA is particularly concerned that these resolutions would weaken Maui County's ability to address the housing needs of Native Hawaiian beneficiaries and residents. The conversion of residential housing stock into visitor accommodations has contributed to displacement, housing insecurity, and the loss of residential inventory for Maui families. Native Hawaiian beneficiaries are disproportionately affected by these pressures, resulting in reduced access to housing near cultural, familial, and economic networks. More Native Hawaiians now live on the continent than in Hawaiʻi, a reality shaped in significant part by housing costs, displacement, and the reduced ability of Native Hawaiian families to remain connected to ʻāina, ʻohana, and the lāhui.

Decisions that permanently remove potential homes therefore require the strongest possible showing of public benefit. That showing has not been made. The record does not support permanently reclassifying a substantial portion of Bill 9-affected apartment-zoned properties into hotel districts before adequate parcel-specific findings have been made and before Bill 9 has allowed meaningful opportunity to return potential homes to local families.

<u>The Record Does Not Establish Objective Criteria for Permanent Hotel Zoning</u>

The proposed community plan findings do not resolve or establish clear criteria for why these properties should be rezoned. Community plan consistency should not be established by selecting policies that support visitor accommodations while giving insufficient weight to policies concerning housing, shoreline risk, infrastructure, public access, and resource management. The Kihei-Makena Community Plan includes policies related to housing choices for residents and coastal resource protection. Those policies are directly relevant when the County is considering whether to permanently move residentially zoned lands into hotel use.

The Council has not established objective, evidence-based criteria for determining which Bill 9-affected properties should be rezoned into H-3 and H-4. Instead, these resolutions appear to rely on broad categories such as sea level rise exposure, single ownership, and hotel-like operations.

Those categories do not form a coherent zoning class. Sea level rise exposure does not establish that a property should be used for visitor accommodations. Single ownership does not establish that a property cannot serve housing needs. Prior transient vacation rental use does not establish that a property should receive permanent hotel zoning. The Council

[2] Carl Bonham et al., *An Economic Analysis of the Proposal to Phase Out Transient Vacation Rentals in Maui County Apartment Districts* (Honolulu: University of Hawaiʻi Economic Research Organization, March 31, 2025), https://uhero.hawaii.edu/wp-content/uploads/2025/03/EconomicAnalysisOfProposalToPhaseOutTVRsMaui.pdf

also has not established a clear definition or threshold for what it means for a property to operate "like a hotel."

The current reasoning is circular. The resolutions assume that because certain properties have characteristics that may make them different from other apartment-zoned properties, the appropriate solution is permanent hotel zoning. But the record has not shown why those characteristics justify that result. At most, they may justify further review. They do not justify permanently converting hundreds of additional units into hotel districts.

If coastal exposure is the reason these properties are being treated differently, the County should address that risk directly. The record should explain how future erosion, flooding, infrastructure vulnerability, emergency access, shoreline access, limits on expansion, and public cost exposure will be handled. It should also address whether future shoreline hardening will be restricted or prohibited, given its potential to worsen coastal erosion, narrow beaches, affect neighboring properties, and impact public trust resources.

County land-use decisions that permanently remove potential homes from residential use should therefore require a strong public-interest justification. That showing has not been made here. If a property truly cannot serve housing needs, the County can make that finding after parcel-specific review. If a property truly operates as a hotel, the County can apply objective criteria and make that finding. If coastal risk is the concern, the County can adopt enforceable guardrails. But the County should not permanently rezone another 498 units based on broad categories, undefined standards, and assumptions about future use

For these reasons, OHA respectfully urges the Committee to DEFER Resolutions 26-129 and 26-130. Mahalo for the opportunity to provide testimony on these measures.

HLU Committee

From: Rory Frampton <rory@roryframpton.com>
Sent: Tuesday, August 4, 2026 3:28 PM
To: HLU Committee
Subject: testimony on Resolution 26-130
Attachments: Makai Sunset Inn ltr-rqst rev 8.4.26.pdf

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

Aloha
Please see attached testimony for Resolution 26-130 for tomorrow's HLU meeting.
Mahalo
Rory Frampton

Rory Frampton Consulting Inc.

Land Use and Environmental Planning ▪ Consulting ▪ Project Management

340 Napoko Place | cell 808 298 4956
Kula, Hawaii 96790 | rory@roryframpton.com

August 4, 2026

Chair Nohelani U`u-Hodgins
Housing and Land Use Committee
Maui County Council
Sent via email

Dear Chair U`u-Hodgins

RE: Makai Sunset Inn – Request to be included as Hotel type properties under Resolution HLU 26-130 for properties 1411 & 1415 Front Street, Lahaina TMKs (2) 4-5-013: 002 & 026

This letter is written on behalf of my clients Makai Cam LLC, owners of the Makai Sunset Inn located at 1411 & 1415 Front Street. Via this letter, Makai Cam LLC is requesting their properties to be as Hotel type properties under Resolution HLU 26-130, in order to maintain Transient Vacation Rental (TVR) use and included for Council initiated community plan and zoning amendments

Background. The properties are located on the makai side of the northern portion of Front Street, see attached location map. They are shoreline properties protected by a seawall.

Prior to the Lahaina fire, the Makai Sunset Inn was used as a 21 unit transient vacation rental property located in the A-2 Apartment District. Unfortunately, it was destroyed by the fire.

The structure was originally constructed in 1964. The real property tax classification had been hotel/resort. And, the owners were up to date on all GET and TAT tax payments. See attached Real Property page for the properties. Based on these facts, the property qualified as a permitted use in the A-2 Apartment District under section 19.12.020.G, MCC. This section of the code has now been deleted with the passage of Bill 9. For some unknown reason, these properties were not identified on the Minatoya list.

The current owners purchased the properties in 2021 for $7.8 million. They spent approximately $2.1 million on refurbishments which were completed several months prior to the Lahaina fire.

Council Resolution 26-111. The purpose of Resolution 26-111 which was previously considered by this committee, was to adopt zoning and community plan designations for properties that were operating as hotels. **The Makai Sunset Inn operated as a hotel, it had front desk and housekeeping staff.** See attached photographs of the lobby and front desk as well as web pages with guest reviews with positive comments regarding the staff.

However, Council Services concluded that these properties could not be heard under Resolution 26-111 because it was not on the Minatoya list. This is why we are considering it today under a separate Resolution.

TIG Recommendations. The Temporary Investigative Group (TIG) on Transient Vacation Rentals in the Apartment District, identified a number of properties on the Minatoya list that would be appropriate to continue TVR use since they would not likely be converted to long-term residential housing for local residents. These properties were identified and attached to the TIG report as Exhibit "2". Criteria used to include properties on the Exhibit "2" list included the following:

- "*Properties with market values not attainable by most Maui County residents would be appropriate to continue TVR uses.*"

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

The Makai Sunset Inn properties meet the TIG's criteria to continue TVR uses. The Makai Sunset Inn properties would not likely produce long-term housing options for Maui residents based on the following:

- **Property Value.** The properties are located on the shoreline and would be priced out of reach for most Maui residents. The current owners have invested around $10 million in land acquisition and refurbishments. Additionally, the seawall on the ocean side of the properties needs repair and will need to be continually repaired and maintained over time, adding additional costs to maintain the property.

- **Sea Level Rise Exposure Area (SLR-XA).** The entirety of both properties are located in the SLR-XA (3.2 ft sea level rise scenario). See attached figure. As such, the properties would not produce long-term housing options for Maui residents.

In summary, prior to the Lahaina Fire, the Makai Sunset Inn operating as a hotel. In addition, primarily due to their shoreline location, the Makai Sunset Inn properties would not produce long-term housing options for Maui residents. We respectfully request that the subject properties be included among the properties under consideration for Council initiated change in zoning and community plan designation.

Thank you for your review of this matter. Should you have any questions or comments, please feel free to contact me at 808-298-4956 or by email rory@roryframpton.com.

Respectfully submitted,

Rory Frampton

cc: Andrew Chang Jr., Makai CAM LLC

Parcel Information

Parcel Number	450130260000
Location Address	1411 FRONT ST LAHAINA HI 96761
Neighborhood Code	OFHOTEL
Legal Information	LOT 4 MALA BEACH SUBD POR LCAW 477F:210,654 SF DES
Land Area	10654 Square Feet
Zoning	A1 - A-1 Apartment
Parcel Note	

View Map

Damage	Destroyed 823
Reentry Zone	4A
Zone Color	Green

Owner Information

Owner Names
MAKAI CAM LLC Fee Owner

Mailing Address
MAKAI CAM LLC
133 E SAINT JOSEPH ST
ARCADIA CA 91006

Assessment Notices

450130260000 (PDF)

Assessment Information

Hide Historical Assessments

Year	Tax Class	Market Land Value	Agricultural Land Value	Assessed Land	Building Value	Total Assessed Value	Total Exemption Value	Total Net Taxable Value
2026	TVR-STRH	$0	$0	$0	$0	$0	$0	$0
2025	TVR-STRH	$0	$0	$0	$0	$0	$0	$0
2024	TVR-STRH	$0	$0	$0	$0	$0	$0	$0
2023	TVR-STRH	$1,539,600	$0	$1,539,600	$778,000	$2,317,600	$0	$0
2022	TVR-STRH	$1,539,600	$0	$1,539,600	$688,100	$2,227,700	$0	$2,227,700
2021	TVR-STRH	$1,200,000	$0	$1,200,000	$535,800	$1,735,800	$0	$1,735,800
2020	TVR-STRH	$1,500,000	$0	$1,500,000	$686,900	$2,186,900	$0	$2,186,900
2019	TVR-STRH	$1,363,600	$0	$1,363,600	$676,300	$2,039,900	$0	$2,039,900
2018	TVR-STRH	$1,239,600	$0	$1,239,600	$816,500	$2,056,100	$0	$2,056,100
2017	HOTEL / RESORT	$1,177,700	$0	$1,177,700	$754,100	$1,931,800	$0	$1,931,800

How to calculate real property taxes

Commercial Improvement Information

Building Number	1	**% Complete**	100%
Building Type		**Building Square Footage**	8,768
Year Built	1964	**Value**	$0
Eff Year Built			

Section	Floor #	Area	Perimeter	Occupancy	Wall Height	Exterior Wall	Rank	Building Class
1	01	1592	178	Apartment	10		1.5	Masonry Bearing Walls s1 p7
1	02	1592	178	Apartment	10		1.5	Masonry Bearing Walls s1 p7
2	01	1200	146	Apartment	10		1.5	Masonry Bearing Walls s1 p7
2	02	1200	146	Apartment	10		1.5	Masonry Bearing Walls s1 p7
3	01	1592	178	Apartment	10		1.5	Masonry Bearing Walls s1 p7
3	02	1592	178	Apartment	10		1.5	Masonry Bearing Walls s1 p7

Other Features

Section	Structure	Measure 1	Measure 2	Stops
1	Patio, Concrete	780	1	0
2	BALCONY WD RAILING	716	1	0

Parcel Information

Parcel Number 450130020000
Location Address 1415 FRONT ST
LAHAINA HI 96761
Neighborhood Code OFHOTEL
Legal Information LOT 5 MALA BEACH SUBD POR LCAW 477F:211,555 SF DES
Land Area 11555 Square Feet
Zoning A1 - A-1 Apartment
Parcel Note

View Map

Damage Destroyed 823
Reentry Zone 4A
Zone Color Green

Owner Information

Owner Names
MAKAI CAM LLC Fee Owner

Mailing Address
MAKAI CAM LLC
133 E SAINT JOSEPH ST
ARCADIA CA 91006

Assessment Notices

450130020000 (PDF)

Assessment Information

Hide Historical Assessments

Year	Tax Class	Market Land Value	Agricultural Land Value	Assessed Land	Building Value	Total Assessed Value	Total Exemption Value	Total Net Taxable Value
2026	TVR-STRH	$0	$0	$0	$0	$0	$0	$0
2025	TVR-STRH	$0	$0	$0	$0	$0	$0	$0
2024	TVR-STRH	$0	$0	$0	$0	$0	$0	$0
2023	TVR-STRH	$1,669,900	$0	$1,669,900	$0	$1,669,900	$0	$0
2022	TVR-STRH	$1,669,900	$0	$1,669,900	$0	$1,669,900	$0	$1,669,900
2021	TVR-STRH	$1,279,900	$0	$1,279,900	$0	$1,279,900	$0	$1,279,900
2020	TVR-STRH	$1,599,900	$0	$1,599,900	$0	$1,599,900	$0	$1,599,900
2019	TVR-STRH	$1,454,500	$0	$1,454,500	$0	$1,454,500	$0	$1,454,500
2018	TVR-STRH	$1,322,300	$0	$1,322,300	$0	$1,322,300	$0	$1,322,300
2017	HOTEL / RESORT	$1,256,100	$0	$1,256,100	$0	$1,256,100	$0	$1,256,100

How to calculate real property taxes

Sales Information

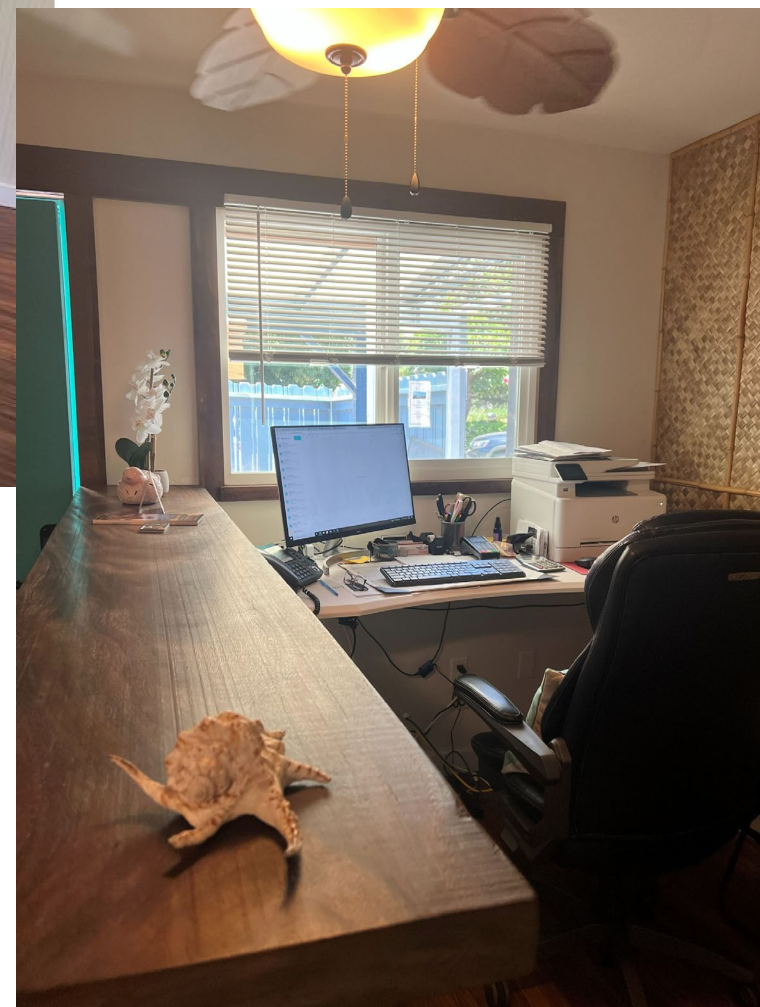
Sale Date	Price	Instrument Number	Instrument Type	Valid Sale or Other Reason	Document Type	Record Date	Land Court #	Land Court Cert
12/27/2021	$7,800,000	A80340726	Fee conveyance	Involved add'l parcels	Warranty deed	12/30/2021		
12/23/2021	$1,000	A80380204	Fee conveyance		Warranty deed	1/3/2022		
7/30/2002	$1,221,500	02-204737	Fee conveyance	Related individuals	Quitclaim deed	11/18/2002		
10/29/1987	$0	8700166306	Fee conveyance			11/2/1987		
10/5/1987	$0	8700166305	A/S on fee			11/2/1987		

Maui's Automated Planning & Permitting System

Click Here to View All Planning and Permitting Info Regarding This TMK

Lobby

Front Desk



Makai Sunset Inn
Lobby and Front Desk Photos
1411 and 1415 Front Street

makai sunset inn lahaina - Search

*** MAKAI SUNSET INN, LAHAINA

https://the-makai-inn.lahaina-hotels.com/en/

Chat

Makai Sunset Inn Lahaina

ex. Lahaina Ocean's Edge

1415 Front Street, Lahaina, United States

Booking.com 7.9

Based on 273 reviews

Tue 30 Jun | Wed 1 Jul | 2 Adults | 0 Children | **Check availability**

Check-in:
from 15:00 until 23:59

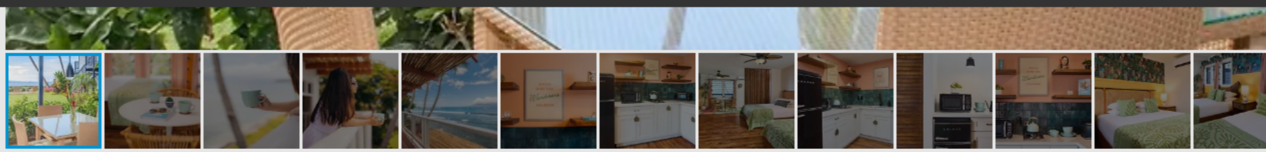
Check-out:
until 11:00

License number
W31438185-01

Children and extra beds
There are no cribs provided in a room.

How to reach hotel

Tue 30 Jun | Wed 1 Jul | 2 Adults | 0 Children | **Check availability**



Overview | Location | Reviews | Amenities | Rooms

Makai Sunset Inn

Located only 0.7 miles from Puunoa Beach, Makai Sunset Inn Lahaina is in the immediate vicinity of Lahaina Jodo Mission Buddhist Cultural Park. Guests who stay at the comfortable 3-star inn can park their car on site.

Located in the Historic Lahaina Front Street district, the Lahaina hotel is approximately a 25-minute stroll from such business sites as Old Lahaina Courthouse. Natural attractions in the area include Kamehameha Iki Park, 1.7 miles from the Makai Sunset Inn Lahaina, and a beach is just 0.7 miles away. Guests might as well visit Wahikuli Park, which is merely 9 minutes' stroll away. Located 1.2 miles from the property, Maria Lanakila Catholic Church is open for visiting by worshippers and tourists. Well-connected to many sights, the Makai Sunset Inn is within reach of Lahaina Cannery Mall bus stop.

The 20 rooms feature air conditioning along with self-catering facilities such as tea/coffee making equipment. Offering a walk-in shower and a separate toilet, the bathrooms are also fitted with a hairdryer and bath sheets.

The nearby dining opportunities include Mala Ocean Tavern, which is a mere 6 minutes by foot from the hotel.

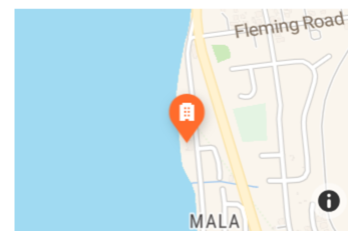
Check-in:
from 15:00 until 23:59

Check-out:
until 11:00

License number
W31438185-01

Children and extra beds
There are no cribs provided in a room.

How to reach hotel



Where is the Makai Sunset?

Makai Sunset Inn address: 1415 Front Street, Lahaina, United States

Attractions

Tue 30 Jun | Wed 1 Jul | 2 Adults | 0 Children | **Check availability**

J
Jack
2022-03-03

+ Generally, the place was special. I enjoyed the room, the bed was comfortable. The service was absolutely great. A nice beach, breathtaking view.

7

T
Tom
2021-07-23

+ Super location, outstanding staff, really good bed. The room was non-smoking and beautiful and the bathroom was luxurious. There was a good restaurant, shops and supermarket next door. A welcoming service and perfect breakfast.
– Wi-Fi signal was very weak, made me a little nervous.

9

J
James
2021-04-28

+ Staff and location were ideal here.

9

L
Lee
2021-10-28

+ Just perfect stay overall. Immaculate place with FABULOUSLY FRIENDLY staff. Room was fairly quiet and airy.

8

from 15:00 until 23:59

Check-out:
until 11:00

License number
W31438185-01

Children and extra beds
There are no cribs provided in a room.

How to reach hotel

Where is the Makai Sunset?

Makai Sunset Inn address: 1415 Front Street, Lahaina, United States

Attractions

HLU Committee

From: Maui Vacation Rental Association <ED@mauivacationrentalassociation.org>
Sent: Tuesday, August 4, 2026 8:53 AM
To: HLU Committee
Subject: Testimony - Resolutions 26-129 & 26-130
Attachments: Reso 26-129 & 26-130 Testimony (1).pdf

Aloha,

Please see the attached testimony in support of resolutions 26-129 and 26-130.

Mahalo Nui Loa,

Caitlin Miller
Maui Vacation Rental Association

MAUI VACATION RENTAL ASSOCIATION

Housing and Land Use Committee
Kalana O Maui Building, 8th Floor
200 South High Street
Wailuku, HI 96793

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

Mahalo for the opportunity to provide testimony in support of Resolution Nos. 26-129 and 26-130.

These resolutions represent another important step in implementing the framework established through Ordinance 6008. We appreciate the continued work of the Committee and support advancing these resolutions to the Maui County Council so the implementation process can continue moving forward.

We appreciate the thoughtful work that has gone into each phase of this implementation effort and recognize that a consistent, transparent process is important for both affected property owners and the broader community.

As implementation continues, we respectfully encourage the Committee to maintain consistency with the framework adopted through Ordinance 6008 so that affected property owners have a clear and predictable implementation process.

We also support the inclusion of the properties identified in these resolutions and appreciate the Committee's continued efforts to provide a consistent and transparent implementation process. As this work continues, providing certainty for affected property owners remains an important part of successfully carrying out the ordinance.

Mahalo for your time and consideration.

Caitlin Miller
Executive Director
Maui Vacation Rental Association