

Brian Lee
Chair, Planning Commission
Department of Planning and Permitting
City and County of Honolulu

RE: Proposed Bill on Short-Term Rentals

Aloha Chair Lee and Members of the Planning Commission:

While the Honolulu Board of REALTORS® (HBR) appreciates the time and effort that DPP Director Uchida and his colleagues put into crafting this legislation related to short-term rentals, **we recommend that this proposed bill be put on hold and the effort be put into enforcing the current Ordinance 19-18.**

We are glad to see that DPP has amended the proposed bill to allow for several exemptions for individuals to rent a dwelling unit for less than 180 days, as our previous testimony and survey data showcased the need for less than 180 days rentals for multiple reasons beyond tourism. With these exemptions DPP will require notice from the owners of their unit being used for one of the exemptions and this brings back the concern of enforcement and how the DPP will properly enforce illegal short-term rentals. We recommend that the short-term rental definition remain 30 days and the focus be on enforcing units that do not comply with the 30-day minimum rental requirement as per current regulations.

HBR is concerned with certain provisions in the proposed bill that will negatively impact private property rights. This includes Section 21-5.730.2, where it indicates that each natural person may own no more than one dwelling unit that is registered as a B&B or TVU. And Section 21-5.360.1, which makes condominium hotel units be regulated in the same manner as hotel units and thus not allowing condominium hotel units to be a place of principal residences. The only exception being if the person is occupying the unit upon the effective date of this ordinance and the exception would terminate once the person is no longer occupying the unit. This section appears to be counteractive to Honolulu's housing shortage as many individuals use their condominium hotel unit as a place of permanent residency for themselves or a long-term renter. The City needs to be increasing all types of dwelling units for long term renters rather than adding additional hurdles.

Ordinance 19-18 was developed through many months of collaboration from key stake holders, city administration, and the community. This collaboration created a fair approach to managing legal short-term rentals while increasing enforcement on illegal short-term rentals in Honolulu. Yet, the administrative rules to empower DPP to implement the Ordinance were never finalized and put into effect. We believe the administration should focus on implementing Ordinance 19-18 and allowing it time to show its impact before adopting a completely new ordinance for short term rentals. Additionally, we recommend that the court stipulation on the advertising requirements for Ordinance 19-18 be reversed to ensure that the advertising rules are very clear that the minimum stay is 30 consecutive days. Reversing this stipulation would eliminate continued illegal activities of less than 30-day rentals, i.e. daily and weekly rentals, and assist the DPP in their enforcement.

Again, HBR recommends that the planning commission reject this current proposed bill so it may be paused and urge the DPP and City Administration to focus on enforcing the current Ordinance 18-19. HBR is committed to be a part of the solution and promote a model that creates opportunities for local families and investors, while preserving and protecting our limited resources of accessible housing and livable communities. We look forward to working with the DPP, City Council, Administration, and the community to continue this dialogue. Thank you for your consideration, and the opportunity to provide additional comments on this critical measure.

Mahalo,

Suzanne Young
Chief Executive Officer