

GAD REPORT 2008

The main accomplishments for RAM Government Affairs in 2008 were the effort to create reasonable vacation rental regulations and RAM's involvement in the 2008 Elections for the County Council.

VACATION RENTALS When the 2007-08 Council came into office there was zero aloha for vacation rental legislative reform on the Council and maybe even less support in the County Administration. RAM responded by forming a working alliance with the Maui Chamber of Commerce and the Maui Vacation Rental Association and began making important investments that improved the political atmosphere for vacation rentals. Those included the economic study, the public opinion survey and the six-month long advertisement campaign. Together they helped create the political toe-hold we needed to create reasonable vacation rental regulations. Because Council Member Gladys Baisa was willing to stick her neck out and drive the measure through her Planning Committee, by the end of the year we saw the adoption of a new Bed & Breakfast Ordinance. (At this writing, the Mayor still has not signed the bill, but she still has two days to do so and she is fully expected to.) The new ordinance took nine months of continuous effort to push through committee and each new element was dearly won. While not perfect, it greatly improved on the existing ordinance by extending B&B permits to the Rural and Ag Districts. Earlier drafts required ag properties to show \$2500 worth of annual ag income to be eligible. In the final draft, only properties over 5 acres are required to show ag income. This bill allows for the use of ohanas as vacation rentals and extends the permits from annual permits, to initial permits of three years and continuing permits of five years. The process for approval eliminates the involvement of the County Council and creates a simpler administrative approval process for residential and rural properties (in most cases). That was the easy part. Now we move on to the more difficult TVR (owner not on property) permit process. Also outstanding is the Tavares Administration's decision to go after TVRs in Puamana. For units that cannot show 20 plus years of operation in Puamana, vacation renting is now illegal.

ELECTIONS 2008 Elections are always difficult for membership organizations because you simply can't make everyone happy. Our goal was to make at least the majority of our members happy. We started out with a membership survey which indicated a sensitivity about endorsements, and especially endorsements that were made public. But at the same time, there was considerable discomfort with the idea of giving RPAC donations to politicians individually, no matter if they supported our positions or not. So we found a middle way: endorsements that were internal, aimed at our members. The candidate questionnaire was greatly simplified but remained quite meaningful. The candidate's statements were distributed to our members. We held two Candidates Mixers that allowed our members and the candidates to mingle, make eye contact and really hear each other. The process allowed RAM to make endorsements that the far majority of our members (over 75 percent) supported. The 2008 election continues, with the "jury still out" on Wayne Nishiki and Sol Kahoohalahala. RAM is not taking an official position on either of those cases.

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AFFORDABLE HOUSING We watched as the County housing program continued to misfire throughout the year. No rules were established for the Workforce Housing program despite a clear requirement for them. Neither were rules adopted for the Affordable Housing fund or the First Time Homebuyers Program (downpayment support). Ultimately, the Mayor got new leadership for the Department of Human Concerns and Housing and hopefully a better result will be achieved this year. Despite a general recognition that the Workforce Housing Program needed to have incentives built into it, the Council did not appear capable of making the needed adjustments. The only place where the program netted results was with a small project in Makawao and zoning entitlements for the major Wailea 670 and Makena Resorts. And Makena resort developer Everett Dowling won major concessions on the percentage of affordable homes required of his project. The Council is scheduled to review the Workforce Housing Ordinance this year. Council Member Wayne Nishiki was named chair of the committee that will conduct that review.

WATER So far the County has failed to gain new water sources for the key Central Maui system. Indeed, the Mayor announced at the end of the year – seemingly out of frustration – that she is giving up on obtaining water from the Waihee Stream because of the state dragging its feet on creating new in-stream flow standards. Given that the Waihee source is the County's main/only immediate option for a new Central Maui water source, we are not sure if dropping it as an option is such a good idea. Over the last two years the Council's water policy was driven by Michelle Anderson, whose main goal appeared to be to create policies aimed at reducing or restricting economic development. The county does not yet appear to have gained any headway on writing required (for six years now) water rules. The good news is that Anderson retired from her council position. Council Member Mike Victorino has taken her position.

GPAC/ AG LANDS/ RURAL COMMUNITIES The county's efforts to re-write the county General Plan continued to bog down throughout the year as the difficulties of driving policy decisions through a 25-member board (General Plan Advisory Committee) made themselves painfully obvious. Late in the year, the county administration found a dodge around the Sunshine Law requirements for the GPAC and set up unannounced, small working groups from the GPAC to drive the policy development. The jury is still out on whether that will bear the necessary fruit. RAM is monitoring the development of the plan, but remains particularly concerned about the draft plan's lack of recognition of the rural nature of much of Maui Island. The plan instead focuses on ag land preservation and urban development patterns. RAM found the Mayor's comments at our only Grassroots meeting of the year with her (8.19.08) telling on this point. She said that she did not believe that the General Plan should deal with rural development patterns at all, saying that could be handled later, say, in the community plans. RAM points to the ill-designed state Ag Bill (SB1236) of 2007 and Council Member Jo Anne Johnson's

West Maui Ag permit moratorium bill as examples of nonsense that happens when the ag/rural relationship is not clearly defined. RAM's position is that we must first identify Maui's Important Ag Lands (as required by the State Constitution) and after that is accomplished, then identify where rural development exists (i.e. from the Haiku coast, through Makawao, Pukalani, Kula and Keokea) and where future rural development can happen (as required by Bills 84/53 which established this particular planning effort). It is also our position that much of our existing two-acre ag subdivisions are really rural and probably should be identified as such. The good news is that Johnson's West Maui Ag Moratorium bill was stopped in its tracks.

GRASSROOTS MEETINGS RAM Grassroots team members spent a great deal of time meeting with Council Members and state Legislators this past year. Because of the good connections and efforts of Kay Okamoto, we met regularly with Council Chair Hokama. Those meetings were often quite enlightening. We also met on a less regular basis with the rest of the Council Members. Council Member Johnson refused our invitations last year and Council Member Anderson only met once with us the whole term. We also kept up good contacts with our state legislators, even if that role falls mainly with the state GAC. There was some sensitivity expressed by the state GAC about RAM's involvement with the 2007 Ag Bill, so we had to be careful to not be overly aggressive on state issues. Mayor Tavares only met with us once in 2008 despite repeated requests to meet over the year. Hopefully, we can increase that rate this year because there is always important information to be learned at such meetings. RAM GAC leaders were aggressive in participating in election fundraisers for both Council Members and Legislators in 2008, with many, many hours spent essentially "showing the flag".

NEW WEBPAGE/ BLOG I am excited about the development of the new RAM homepage and Government Affairs Page and our new Government Affairs BLOG, The Source. This blog will be limited to members only (on the members section) in order to focus the dialogue internally. It should become an important communications tool for our GAC efforts in the years to come.

CONFERENCES RAM sent me to the Mid-year and National NAR Conference and this year to the GAD Conference. I take Terry's advice on these conferences seriously: I act like a sponge, soaking up as much meaningful information as I can. As a result, I have some sense of the national scene that can be reapplied here. I was also appointed to NAR's Local and State Issues Committee for this year. The GAD Conference was well organized as a Lobbyist's Bootcamp and I gained a lot from it. At my age it's great to still be growing.