

CITY COUNCIL

CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 202

HONOLULU, HAWAII 96813-3065

TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

ANN H. KOBAYASHI
COUNCILMEMBER, DISTRICT 5
CHAIR, COMMITTEE ON PARKS,
COMMUNITY AND CUSTOMER SERVICES
TELEPHONE: (888) 768-5005

FAX: (808) 768-6327 EMAIL: akobayashi@honolulu.gov

February 12, 2018

The Honorable Senator Clarence Nishihara, Chair Senate Committee on Public Safety, Intergovernmental, and Military Affairs Hawaii State Capitol Honolulu, HI 96813

> Re: Senate Bill No. 2092 Tuesday, February 13, 2018 2:05 p.m.

> > Conference Room 229

Dear Chair Nishihara and Committee members,

Thank you for the opportunity to submit testimony on Senate Bill No. 2092, Relating to Offenses Against Public Administration. The purpose of this bill would classify lying to a county inspector as a misdemeanor with a fine of up to \$2000.

As Councilmember for many areas in Honolulu's urban core, I have witnessed the proliferation of large residential homes in neighborhoods such as Palolo, Manoa, and Kaimuki. I have also received calls from neighbors expressing their concerns in regards to the limited number of on-street parking, water and sewer capacity, storm drainage, and the overall size of the structure with multiple floors and rooms.

In many cases, the dwellings are modified beyond the scope of the building permit or the purpose of the modifications, and oftentimes, post inspections confirm the concerns of the neighbors. This Bill would provide the City's Department of Planning and Permitting the resources necessary to preserve the character and quality of our neighborhoods across the island.

Therefore, I support Senate Bill 2092 and respectfully request the Senate Committee on Public Safety, Intergovernmental, and Military Affairs Health to pass SB 2092 to preserve the wellbeing and quality of residential neighborhoods.

Sincerely,

Ann H. Kobayashi

Councilmember, District V

Cam H. Krhayash

Submitted on: 2/12/2018 1:58:06 PM

Testimony for PSM on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Planning	Testifying on behalf of County of Maui-Dept. of Planning		No

Comments:

February 12, 2018

The Honorable Clarence K. Nishihara, Chair and Members of the Senate Committee on Public Safety, Intergovernmental, and Military Affairs
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Nishihara and Committee Members:

SUBJECT: SENATE BILL 2092, RELATING TO OFFENSES AGAINST PUBLIC ADMINISTRATION

The Department of Planning supports the intent of Senate Bill 2092, which would establish that knowingly making a false or misleading statement to a zoning inspector is a felony.

False and misleading statements impede our inspectors' ability to enforce land use laws for the community's benefit. Providing an express requirement for truthfulness during the course of investigations, with the possibility of criminal penalties for lying, may improve our enforcement capabilities.

We will watch this bill as it proceeds through the legislative process and will provide additional comments if needed as amendments are proposed. Thank you.

Sincerely, WILLIAM R. SPENCE Planning Director, County of Maui



Preserving Kailua's Character

February 12, 2018

To: Senator Clarence K. Nishihara, Chair, Senator Glenn Wakai, Vice Chair and the

Committee on Public Safety, Intergovernmental, And Military Affairs

Re: Strong Support for SB2092 & SB2722

We adamantly support **SB2092 & SB2722** as written. It's very apparent County officials are being asked to enforce zoning laws without the tools and State laws to support their efforts. Making a false statement to a county inspector a crime within the offense of unsworn falsification will assist county officials tremendously.

It has become extremely common for both property owners and their guests to lie to zoning inspectors regarding their illegal vacation rental activities without any consequence for their actions. Property owners will instruct their paid guest to tell inspectors that they are just friends of the owners and are not compensating them for their stay.

State law already makes it a crime to lie to enforcement officers, the same should apply to zoning inspectors (§710-1015: False reporting to law-enforcement authorities. (1) A person commits the offense of false reporting to law-enforcement authorities if the person intentionally makes a report or causes the transmission of a report to law-enforcement authorities relating to a crime or other incident within their concern when the person knows that the information contained in the report is false.)

Thank you for your consideration.

Keep it Kailua

Keep It Kailua is a grassroots community group founded in 2004 whose purpose is to retain Kailua's family-oriented residential character and quality of life.

Keep It Kailua's goals are to:

- Protect residential zoning and promote permanent residency in our neighborhoods
- Preserve and enhance scenic, civic, recreational and cultural features that define Kailua's sense of place
- Protect water resources essential to the health of the environment
- Preserve trees and maintain open green space
- Promote walking and the use of non-motorized bicycles as alternatives to automobile transportation within and around the town

- Promote businesses that serve the residential community
- Support other community groups with similar goals

Please visit us at <u>www.keepitkailua.com</u>



LANIKAI ASSOCIATION * P.O. BOX 481 * KAILUA, HI 96734

February 12, 2018

Aloha Senators:

The Lanikai Association Board of Directors hereby reaffirms the Association's continued support to strengthen enforcement of existing zoning laws limiting these businesses in residential such as.

The reasons we support enhanced enforcement as proposed in SB2092 and SB2722 are as follows:

- 1. The purpose of residential zoning as defined in the General Plan is to provide housing for residents, not hotel rooms for tourists. Converting homes to short-term rental businesses depletes our limited residential housing supply, and increases housing costs and corresponding property taxes for actual residents and would-be residents in our community.
- 2. Short-term rentals significantly alter the residential character of our neighborhoods by displacing our long-term neighbors. The Lanikai Association firmly believes having neighbors is the cornerstone of our community. Short-term tenants do not engage in the sort of activities that weld and strengthen our community. They do not participate in local government, coach paddling, lead a scout troop, volunteer at the library, or keep an eye on an elderly neighbor. Our members chose to live in a residential area with the understanding that their neighbors would also be residents.

The Lanikai Association requests that you preserve the nature of our community under the zoning laws.

Mahalo,

Tom Cestare, President Lanikai Association

Submitted on: 2/11/2018 4:27:29 PM

Testimony for PSM on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
		Support	No	

Comments:

Aloha -

I support SB2092. In our experience when reporting illegal TVUs in our North Shore community, the renters are coached by the owners to tell any city inspectors that they are just friends staying there or that they are staying there longer than the one or two weeks. This makes it almost impossible for the inspectors to follow up or investigate further. Any possible evidence of lying cannot be factored into the equation when trying to shut the illegal TVUs down.

I respectfully request that the committee support this bill to give the counties the ability to have more enforcement when investigating illegal TVUs.

Mahalo for your time and consideration.

Kathleen Pahinui

Waialua, North Shore, Oahu

Submitted on: 2/11/2018 7:09:04 PM

Testimony for PSM on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Marten		Support	No

Comments:

Please support this Bill. I live in a community heavily impacted by illegal vacation rentals. Efforts by inspectors to issue violations to the properties next to me have largely been unsuccessful because the property manager asks the renters to lie if asked if they are renting. I agree that renters themselves should not be fined - it is the property owners and property managers that are aware of the laws they are breaking. However, lying to a State or County official is not pono and if there are consequences, people will not take the risk on behalf of the property owner who they do not even know.

Mahalo for protecting our residential communities.

<u>SB-2092</u> Submitted on: 2/12/2018 6:47:03 AM

Testimony for PSM on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Michael Morelli		Support	No	

Comments:

I support SB 2092 and believe it is way over due.

Submitted on: 2/12/2018 7:07:37 AM

Testimony for PSM on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
jerry lam		Support	No

Comments: I am writing testimony in support of SB2092, which will add teeth to the failing enforcement of city regulations. We must work together to develop measures which will place a limit on these gargantuan, humongous ugly structures which block sun and views from our island's residents. This bill will help this prolem. A monster home in Palolo has 16 bedrooms and 11 bathrooms and mailboxes that read a,b,c etc. A home in Manoa has 10 bedrooms, 10 bathrooms and separate electrical boxes. Â An article I read has one home having coin operated washer dryers and no parking. You cannot ignore the fact that 10 more toilets flushing in an old neighborhood like Manoa will compromise the aging sewer system. The builder's and developer's argument that these homes help affordable housing is a fallacy. Rooms on craigslist list for over a \$1000 for a small room with no parking and a shared bathroom. For \$16.000 a month income, monster home owners can even air condition the rooms. And the current minimal penalties are much less than the lucrative rent that these monsters bring in. Many times the City sends out notices of violation but collect zero in penalties. A Foreign buyers continually outbid Hawaii residents for residential home land because they know they will make a lucrative business renting or selling the monster home. Then they parley their profit and move on to purchasing new land and starting their next monster palace. I was told one developer and his home building crew has erected over 20 of these large homes (each one within three months time). We know that these homes are not multi-generational homes. They care little about taxing the infrastructure, the increase in noise, the overflow of street parking, the ambiance of neighborhood character, energy consumption, and they ignore laws that prohibit more than 5 non related persons to live in these massive houses. They certainly do not provide ample parking for their tenants. We notice they are always built with the smallest house front facing the street and the long rows of bedrooms running deep into the totally cemented lot. The floor area ratio should be less than .75 with the option of appealing this. We know that hand in hand with these newly developing building rules, there also needs to be a specific plan for investigation and enforcement of the new law. And the token penalties must be raised considerably to deter these apartments from proliferating in neighborhoods that are zoned "residential". The burden of proof should be on the monster home owners to prove the legitimacy of the tenancy and not on the complaining neighbor nor DPP. As short term rentals abound, no one will know who their neighbors are, and that will affect community security and trust. There is more to say, but I will end. Please support stricter enforcement and establish an insightful committee to come up with fines that are meaningful and that will help DPP make Oahu a livable island for us, our children and our kupuna! Jeremy Lam, M.D. 2230 Kamhameha Avenue Honolulu, HI 96822

From: Francine
To: PSMTestimony

Subject: Illegal B&B sb 2092 & sb 2792

Date: Sunday, February 11, 2018 6:47:25 PM

I am in favor of these bills to help enforce this illegal activity in our neighborhoods. Francine Hagstrom

Sent from my iPhone

Senate Committee on Public Safety, Intergovernmental and Military Affairs Senator Clarence K. Nishihara, Chair Senator Glenn Wakai, Vice Chair

Re: Support for SB2092

Aloha Chair Nishihara, Vice Chair Wakai and other Members of the Committee,

My name is Davin Aoyagi, and I am a concerned resident and neighborhood board member for the Kuli'ou'ou / Kalani Iki Neighborhood Board #2. I am writing to express my support for SB2092, which would make it a misdemeanor to lie to county inspectors allows for a fine up to \$2000.

We are all aware that one of the most critical problems facing Hawaii is the cost of affordable housing and the general cost of living, which serve as critical barriers for Hawaii residents to thrive. And while I think we need to be empathetic toward those individuals that want to call paradise their home, it is important to recognize that the development of "monster homes" and illegal vacation rentals cannot be pointed to as a suitable fix for affordable living in our state. Monster homes and illegal vacation rentals attempt to curb the cost of living for some, and in doing so, several diminish the quality of living in desirable neighborhoods for all Hawaii residents.

Within my own neighborhood and the surrounding neighborhoods, we have seen the rise of monster homes lead to congested streets which are full of cars that exceed the on-site parking limits for homes. These congested streets serve to make traffic more unwieldy in our neighborhood and much more dangerous for pedestrians.

As a neighborhood board member, I've learned that many of the challenges that Honolulu county faces arise from a lack of severe, punitive measures that they can deploy against those homeowners that lie to city and county inspectors. We've heard so many stories of houses that, upon completion, are then modified to accommodate large numbers of people far beyond the scope of the original house plan. And we are too familiar with anecdotal accounts of frustrated inspectors who are just as concerned as long-time residents, but find themselves unable to enforce compliance due to limitations of current statute.

I urge you to support SB2092 and appreciate your consideration of my testimony.

Sincerely, Davin Aoyagi From: Andrea Davis
To: PSMTestimony

Subject: Re SB 2092 and SB 2722

Date: Monday, February 12, 2018 6:30:32 AM

Aloha,

Please support these bills. As inspectors of illegal rentals will tell you, owners of these rentals have their guests state they are either friends or there for a longer period of time. These bills will make lying either a misdemeanor or a felony. I support the intent of these bills as lying to inspectors is one of the factors DPP says stops them in their investigations.

Mahalo,

Andrea Davis

59-468 Hoalike Road

Haleiwa, HI 96712

(808) 200-2018

From: Robert Fox
To: PSMTestimony

Subject: support for SB2092 and SB2727

Date: Monday, February 12, 2018 4:22:24 AM

From the Desk of Robert E. Fox He 2022 University Ave Honolulu, HI, 96822 808-256-1071

rfoxent@gmail.com

Support for Senate Bills 2092 and 2727

Dear Sirs and Madams:

These two senate bills come before you as a result of unscrupulous, conniving, shrewd and vicious investors mostly from Mainland China, who knowing the weakness of our permitting and planning department, and the lack of real inspection enforcement, with the possibility of bribery and graft running rampant in civil government, have thrown countless millions in CASH at Hawaii to build apartment structures within our residential areas.

Their lack of compassion for our aina is demonstrated by cementing entire lots without regard to watershed or environment. Their lack of respect for any law, is show by their importing of illegal not permitted labor to construct these Monster Houses with workers on tourist visas from Mainland China.

Bribing plumbing companies and electrical companies they flaunt our laws and do all the work themselves knowing that our inspectors are too timid or already corrupted enough not to cite them or ask them to demolish anything do to process.

We are in crisis mode here.

The ultimate joke is that these people claim to be owner builders. In violation of our laws they sell these monster houses within weeks to others and take their profit home to mainland China.

If we wish to be annexed by China, then we are certainly doing all that we can to facilitate that process.

If we wish to be Hawaii, and fight for our uniqueness, then we must rise up and defend what is Hawaiian, not only with agricultural inspections but with property inspections.

Most likely we will need to fire a multitude of corrupt inspectors and hire new blood to accomplish this goal.

But whomever we hire will need to power to cite and make it hurt.

Knowing it is always better to "Speak softly and carry a big stick." (Teddy Roosevelt) we need SB 2092 and SB 2727 to strengthen our laws and the penalties for violation of them. Lying to an inspector should mean jail time. And not just one day. Serious Jail time. If we do not pass this legislation, then all will continue the way it is going. No change will happen, corruption will increase, and our islands will be destroyed one neighborhood after another.

Sincerely, Robert E. Fox

Submitted on: 2/12/2018 11:07:28 AM

Testimony for PSM on 2/13/2018 2:05:00 PM

S	Submitted By	Organization	Testifier Position	Present at Hearing
3	Sarah Chinen	Individual	Support	No

Comments:

This Bill became necessary because of the predatory nature of a new breed of builders that have no interest in preserving our Hawaii lifestyle, and instead choose to push and sometimes exceed the limits of the law to their advantage for their own profit motives.

They get away with their lies and violations with just a slap on the wrist that they easily shrug off. Laws and enforcement should stop them from continuing their plundering.

Thank you very much.

Sarah Chinen

Submitted on: 2/12/2018 12:42:49 PM

Testimony for PSM on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Teresa Parsons	Individual	Support	No

Comments:

Senators,

The rampant illegal vacation rental activities destroying our residential neighborhoods must come to a stop. It is criminal for TVU owners to direct vacationers to lie to county inspectors. The inspectors must have tools to thwart this type of negative stereotype which harms the visitor industry as a whole.

Many visitors are unaware of these deceptions until they arrive on island and really have no other recourse. I visited one such TVU in Kailua where a framed sign was posted just inside the main entrance, which stated. "If anyone knocks on the door during your visit and asks who you are, just tell them you are family members visiting." It is wrong to make unsuspecting visitors complicit with illegal activity.

I would encourage further legislation to remove the ability of inspectors to reduce NOV fines to discourage "personal appeals" from illegal operators as well.

Mahalo for the opportunity to testify on this important measure.

Submitted on: 2/12/2018 1:10:23 PM

Testimony for PSM on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
David DiBeradino	Individual	Support	No	

Comments:

I have contacted the DPP more than 100 times over the past 10 years to report illegal vacation rentals but the renters and the owner often lie telling them they are family or satying for 30 days. This property has over \$800K in fines and is still actively renting by using this loophold.

From: <u>Vanessa Distajo</u>
To: <u>PSMTestimony</u>

Subject: Testimony in Support of SB2092 and SB2722

Date: Monday, February 12, 2018 1:50:58 PM

Dear Senators,

Over the course of the last year, my quaint, residential neighborhood in Manoa has been dealing with the emergence of monster homes, and the proliferation of illegal Airbnb operations. The charm and security of our community is at risk. There are so many strangers checking in and out of an Airbnb on our street, at all hours of the day and night, that it no longer feels safe for my children and I to play in our yard, or relax in our patio.

Since March, I have been reporting the violations of one house in particular to DPP. The inspector, Colin Ishikawa, has made several visits to the house. Each time, the homeowners lie to him about their illegal operations. Colin Ishikawa has told me repeatedly that there is nothing he can do unless the home owners admit the wrong doing. This seems absurd when people are knowingly breaking the law. Especially when the home owner has confessed his illegal operations to my husband and I, and tried to intimidate us into not reporting him to the City.

In December, I was finally able to track down the website link they are using to conduct this illegal business. I forwarded it to the DPP inspector, along with numerous photos of various groups of people coming and going with their luggage and rental cars, night after night. To this date, nothing has been done to get them to stop. I reported this to Manoa Neighborhood Board members, as well as Coucilmember Ann Kobayashi.

Something must be done to get people to stop breaking the law. It should be illegal to lie to a City official, and there should be a steep fine or punishment to deter this malfeasance. Thus, I strongly support SB2092 and SB2722, and implore you to pass at least one of these bills. Please help the law-abiding, local people to live a safe and happy life.

Thank you for finally doing something to combat the monster house and Airbnb offenders!

Sincerely, Vanessa Distajo vanvanes@aol.com (808)561-1150