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SENATE RESOLUTION

URGING THE CITY AND COUNTY OF HONOLULU TO ENCOURAGE STAKEHOLDERS ON BOTH SIDES OF THE TRANSIENT VACATION RENTAL ISSUE TO WORK TOGETHER WITH COUNTY RELATED ENTITIES SUCH AS THE HAWAII STATE ASSOCIATION OF COUNTIES TO DEVELOP WAYS TO ADDRESS THIS ISSUES THAT IS ACCEPTABLE TO ALL PARTIES INVOLVED.

WHEREAS, the City and County of Honolulu has had a moratorium on vacation rentals and bed and breakfasts (TVRs) in effect since 1989; and

WHEREAS, in 1989 there were 214 permits issued before the moratorium took effect; and

WHEREAS, to meet a demand for the more intimate experience visitors wanted in neighborhood based accommodations Transient Vacation Rentals opened without permits; and

WHEREAS, the county did not enforce their moratorium for most of the years it has been in effect; and

WHEREAS, the result is 1117 permitted and unapproved Transient Vacation Rentals located within the jurisdiction of the City and County of Honolulu, but outside of Waikiki; and

WHEREAS, the City and County of Honolulu, under pressure from citizens concerned about the quality of life in their neighborhoods asked that the county begin enforcing the moratorium on Transient Vacation Rentals; and

WHEREAS, many of these Transient Vacation Rentals are owned by local families who either live on site or near their Transient Vacation Rental; and

WHEREAS, the City and County of Honolulu has chosen an enforcement policy requiring neighbors to report on neighbors in order to be effective; and

WHEREAS, the result of this enforcement has led to divided neighborhoods and high emotions on both sides of the issue, making listening and rational dialogue increasingly difficult; and

WHEREAS, the State does not know the cost of tax revenue loss, and the loss of both direct and indirect economic activity that the closure of those unapproved Transient Vacation Rentals opened since 1989 will cause; and

WHEREAS, the State and County may be working at cross purposes with the State working to increase tax revenue, economic activity, and provide more tourism alternatives and the County intent on closing Transient Vacation Rentals since 1989; and

WHEREAS, the result working at cross purposes will result in loss of tax revenue, economic activity and a tourism alternative to the State; and

WHEREAS, there are quality of life issues that need to be addressed in rational discussion; and

WHEREAS, the issue is a sensitive matter that evokes passionate responses from both sides of the issue; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2007, recommend to the counties that the counties assess their current licensing application process for Transient Vacation Rentals including reassessment of the City and County of Honolulu's 1989 moratorium on TVRs; and

BE IT FURTHER RESOLVED in their assessment they look at ways to provide opportunities for individuals and businesses to obtain a permit to operate; and

BE IT FURTHER RESOLVED that the City and County of Honolulu to encourage stakeholders on both sides of the issue to work together with county related entities such as the Hawaii State Association of Counties to develop ways to address this issues that is acceptable to all parties involved; and

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BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the City and county of Honolulu, Hawaii State Association of Counties,

OFFERED BY: