



Informational Briefing

PROPOSED
TRANSIENT
ACCOMMODATIONS
RENTAL
CODE AMENDMENT

November 6, 2023



Informational Briefing

Welcome

Planning Director

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Agenda

- Status and Timeline
- Major changes included in Draft 5
- Review of key bill components
- Additional TAR package bills
- Q&A

TAR Bill Status - Draft 5

- Amendments have been made based on community feedback to Draft 4
- Review completed by Planning staff
- Review complete by LRB
- Awaiting review from LRB on other package bills

BILL TIMELINE

Introduce Code Change at Council

*Review in PLUD Policy Committee: Public Hearing
Refer to Planning Commissions*

Both Planning Commissions Review, Public Hearings

Sends recommendations to Council PLUD Policy Committee

PLUD Policy Committee Sends Recommendation to Council

1st Reading at Council

2nd & Final Reading at Council

Minimum 6 opportunities to participate in public hearings

Changes in TAR Bill Draft 5

- Reorganization for clarity - three distinct TAR types
- Removal of the wastewater conversion requirement
- Changes to a parking schedule based on different conditions
- Clarification of Standards
- Signage and advertising requirements

STVR --> TAR

All Vacation Rentals referred to as Transient Accommodation Rental (TAR)

- Furnishing of a room, apartment, suite, single-family dwelling, or the like to a transient or transients for less than 180 consecutive days

Owner-Hosted TAR – any transient accommodation rental hosted by a person who uses the building site as their principal home

Operator-Hosted TAR – any transient accommodation with a person operating a transient accommodation rental on behalf of a property owner, who resides on the same building site as the transient accommodation rental and uses it as their permanent address for legal purposes

Un-hosted TAR – any transient accommodation rental that is not the principal home of the property owner and without an operator located on the same building site during rental operations

Owner-Hosted TAR

When the transient accommodation rental is used as the principal home of the owner, a transient accommodation rental may be registered at any time in any zoning district subject to the following requirements:

- Located in a single-family dwelling, inclusive of a detached bedroom, or guesthouse.
- Not be permitted in an additional farm dwelling, second dwelling, or ohana dwelling (except with a nonconforming use permit)
- The owner may not live in a guesthouse or a detached bedroom

Operator-Hosted TAR

When the transient accommodation rental is used as the residence and permanent address of the operator, a transient accommodation rental may be registered at any time in the following districts:

- V, CG, CN, CV, and CDH districts
- Residential districts, situated in general plan resort and resort node areas
- RM district within a condominium property regime

Operator-Hosted TARs currently operating outside these areas will be grandfathered in with a nonconforming use certificate.

Un-Hosted TAR

When the transient accommodation rental is un-hosted, a transient accommodation rental may be registered at any time in the following districts:

- V, CG, CN, CV, and CDH districts
- Residential districts, situated in general plan resort and resort node areas
- RM district within a condominium property regime

No new nonconforming use certificates will be granted.

Proposed TAR Fee Schedule*

Rental Type	Initial Registration	Annual Registration Renewal	NUC Initial & Annual Renewal
Owner-Hosted	\$500	\$100	\$250
Operator-Hosted	\$750	\$150	\$375
Un-hosted	\$1000	\$250	\$500

- *Fee Schedule subject to change

Other TAR Bill Sections

- Registration requirements, when to register, registration process and annual renewal
- Changes in information and ownership
- Nonconforming use certificates (Ohanas & Operator-hosted)
- Operational standards
- Violations, fines and appeals

Operational Standards

- Posted information and responsive management
- Good neighbor standards: Guest limits, gatherings, events, quiet hours, parking
- Advertising and signage

Proposed TAR Fine Schedule

Penalty Fees

- First Violation \$2,500
- Second Violation \$5,000
- Third Violation \$10,000
- Plus 2 times the highest advertised nightly rate if uncorrected

Real property tax amnesty

Under current Real Property Tax Code (Chapter 19):

- Properties operated as TARs are not eligible for the homeowner's tax rate
- Homeowner's tax exemption is applied proportionally
- There is no 3% value CAP

Amnesty under proposed bill:

- No rollback and 3% CAP remains if TAR operations cease.
- Otherwise, no rollback assessed for tax years 2021-2023
- Amnesty can not be applied retroactively

TAR Package

- **Hosting Platform Accountability (LRB Review)**
- **B&B Sunset (LRB Review)**
- **Ohana Code Update (Drafting)**



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