

From: victor [keepitkailua@hotmail.com]
Sent: Wednesday, July 15, 2009 12:16 PM
Subject: Star Bulletin 7/15/09 Stories: Proposal to curb illegal vacation rentals (Bill 8) languishes in Zoning Committee!

The following articles were published in the Star Bulletin on Wednesday 7/15/09. The first story demonstrates how the City Council and City Administration has failed to protect and preserve our residential neighborhoods and communities. The zoning committee continues to threaten the residential community with proposals to allow hotel-like businesses in residential zoning while neglecting proposals such as Bill 8 that allows City officials to improve enforcement.

The 2nd story clearly demonstrates the ethics of most B&B and vacation rental owners.



Wednesday July 15, 2009

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HONOLULU, HAWAII

Reviving the B&B bill

A proposal to curb illegal vacation rentals has languished before the City Council for more than a year
By Gary T. Kubota

POSTED: 01:30 a.m. HST, Jul 15, 2009

With images of palm trees swaying on a manicured lawn overlooking the ocean, the Web site fangerestates.com invites visitors to rent two luxury beachfront homes in Hauula to experience "paradise in Hawaii."

Neighbors say the online ad is one of the most recent examples of marketing illegal commercial activities in residential areas on Oahu and reflects the lax enforcement of city zoning codes.

Critics say a proposed ordinance, Bill 8, introduced in 2008, would curb advertising of illegal vacation rentals, but the City Council has allowed the bill to languish in its zoning committee for more than a year.

"They keep studying it. They're in analysis paralysis," said Kailua resident Stann Reiziss, who has testified before the Council. "In the meantime, people are still operating illegally. They're turning our residential areas into commercial areas."

Bill 8 is scheduled for Council consideration today to determine whether it should be extended for 90 days while lawmakers decide its merits.

The bill was introduced by the late Councilwoman Barbara Marshall.

Zoning Chairman Rod Tam said he had no opinion about the proposed ordinance but plans to hold a public hearing on the bill.

The measure would require vacation rentals to post the numbers of the permits that allow them to operate outside resort or medium-density apartment districts.

Noncompliance fines would range from \$1,000 to \$5,000 a day.

The rule is similar to one requiring building contractors to list their state license numbers on advertisements. Reiziss said the community is becoming overrun with illegal vacation rentals, with visitors arriving and partying at all hours of the night.

"It's neighborhood disrupting," he said.

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Reiziss and Kailua resident Linda Ure said city inspectors need to make adjustments in their enforcement methods as well, adjusting hours so they can conduct inspections at night and on weekends when illegal activities occur.

"I want to see something happen here. ... This is a residential neighborhood. This is where we sleep. We have to go to work tomorrow," said Ure.

Reiziss said the Council has already "grandfathered" bed-and-breakfasts in operation before 1989 and should be focusing on enforcing the ordinance rather than considering expanding vacation rentals elsewhere on Oahu, especially since hotel occupancy has been down.

Reiziss said the lack of enforcement is unfair to legal bed-and-breakfasts, which pay for their permits. Illegal operations also place a strain on the city's infrastructure.

The 4.2-acre Fanger Estates features a 6,200-square-foot house with six bedrooms and a second, 3,200-square-foot house with four bedrooms, comfortably sleeping a total of 30 people, the Web site advertises.

"Whether you have come for a vacation, retreat, reunion or to celebrate this most important day of your life, your wedding, Fanger Estates is your destination," according to the site. "It is truly paradise on earth and we guarantee it will be a memory of a lifetime."

According to the Hawaiioutcomes.org Web site, Fanger has the 6,200-square-foot beachfront house, described as "perfect for weddings, vacations, retreats, reunion, company meetings," listed at \$1,000 to \$3,500 a day or \$7,500 to \$10,000 a week.

City officials said a code enforcement officer who has been at the estate twice during the day found no activity and that the two buildings were still under construction.

As of last week, officials said, Fanger Estates still has to undergo final electrical and plumbing inspections and has no certificate of occupancy allowing people to use the structures.

Find this article at:

http://www.starbulletin.com/news/20090715_Reviving_the_BB_bill.html



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Owner contends rentals are legal

By Gary T. Kubota

POSTED: 01:30 a.m. HST, Jul 15, 2009

California businessman Gary Fanger said he is not doing anything illegal because the two rental houses advertised at fangerestates.com are "available for 30 days or more."

If rented for 30 days or more, his houses would not be considered transient vacation units and are available for renting as single-family units.

But a resident complained of commercial activities at the estate, including a wedding reception, which would be considered illegal.

Fanger said the wedding reception that occurred in early June was for his son Lance.

But the Star-Bulletin found Lance Fanger was not getting married there that day. The bride whose wedding was held at the Fanger Estates told the Star-Bulletin that she and her husband paid to have the wedding reception at Fanger Estates, making it a commercial operation.

She said she had initially booked her wedding for another location but that the operators at the other location had double-booked, forcing her to move the wedding to the Fanger Estates.

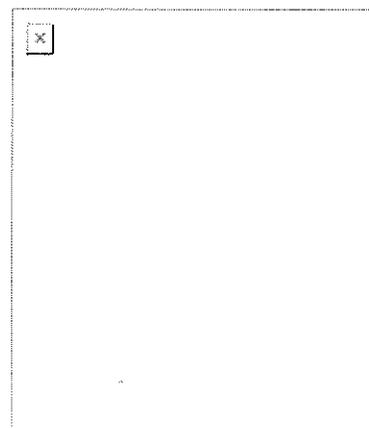
Fanger's two houses are under construction. Fanger also said someone in the city permit section told him he did not need a certificate of occupancy before using the residence, but Fanger was unable to provide a name of the official. He then said the electrical and plumbing systems were working, but there were "some issues" that needed further discussion. The Web site vacationrentals.com indicated that Fanger Estates was booked for more than 40 days from August through December and that all the bookings were for about a week or less at a time, which would require a permit from the city.

When asked to explain, Fanger initially said, "It must be a different property, because it's impossible to be us."

Fanger later acknowledged that the Web site was doing bookings for him, and said the reservations were for his family and relatives.

Fanger called later to say he found out about two months ago that he could not do transient vacation rentals, so he added the "30 days or more" rental clause to his Fangerestates.com Web site.

He said the vacationrentals.com Web site apparently was not notified of the change.



Keep It Kailua is a community group of residents whose purpose is to help assure the retention of Kailua's desirable "residential" character and life-style as we move forward into the future, assisting other community-minded groups to achieve this goal. Many principles which coincide with the goals of **Keep It Kailua** are found in the general policies, principles and pursuits of the Ko'olaupoko Sustainable Communities Plan (KSCP). This Plan was adopted by the City & County in August of 2000 as official public policy. **Keep It Kailua** will use this plan as the foundation for its efforts, particularly those policies and principles applicable to Kailua which proposes to:

- *Preserve trees and promote open green space.*
- *Preserve and enhance scenic, civic, recreational and cultural features that define Kailua's sense of place.*
- *Protect residential neighborhoods.*

- *Maintain and physically improve existing commercial areas.*
- *Preserve the low-rise, low-density, single-family character of Kailua.*