



Posted on: Friday, June 24, 2005

Group pushes legalizing more bed-and-breakfasts

By Lynda Arakawa
Advertiser Staff Writer

The vacation rental and bed-and-breakfast industry injects critical dollars into local businesses, serves visitors who don't want to stay in Waikiki, and can be regulated in residential neighborhoods, said a group that is pushing for the legalization of unlicensed operations.

But at least some residents, particularly in Kailua and the North Shore, say the city should do more to crack down on unlicensed vacation rentals and B&Bs, not legalize them. They complain that vacation rentals in particular bring more traffic and noise into the community and change the residential character of the area.

Both sides will continue the debate at a City Council Zoning Committee public hearing Tuesday on resolutions that aim to legalize more bed-and-breakfasts in communities that don't overwhelmingly oppose them, while making it easier to cite and fine unlicensed vacation rentals.

Council members are already looking at making some adjustments to the resolutions introduced last month. The changes include increasing from two to three the number of bedrooms that can be rented to guests in bed-and-breakfast homes in certain zoning districts. The owner must have one parking space for each room. Another change would deny a permit for a bed-and-breakfast if more than 50 percent of neighbors oppose it, rather than 75 percent.

In 1989, the City Council banned the issuance of new permits for vacation rentals and B&Bs in an effort to prevent the proliferation of the units. But many say the law is unenforceable, and city officials say verifying illegal operations is difficult because an inspector must catch a vacation renter at the site.

Since June 2003, the city Department of Planning and Permitting received 33 complaints that prompted inspections, department officials said. Seven resulted in citations and another two are under investigation.

There are currently 60 licensed bed-and-breakfasts and 942 vacation rentals, but it's generally acknowledged that there are many more operating illegally.

Most of the controversy surrounds vacation rentals. In bed-and-breakfasts, the owner or operator lives in the dwelling. Vacation rentals are whole houses or condominiums rented for less than 30 days without being occupied by the owner or operator.

Vacation rental and bed-and-breakfast owners want to be regulated, said Powell Berger, an officer of the Kokua Coalition, which formed this month. While there may be some "bad apples," most are mindful of the community and want to be good neighbors, said Berger, who manages 18 vacation rentals in Kailua and Lanikai.

"Most of these people are making a living off of this, and they are employing vendors who make a living off of this," she said. "This is an industry that's not diving underground trying to get away from it all. It's a lot of people struggling to find a solution."

Berger and others representing the coalition said vacation rentals and bed-and-breakfasts have an important role in Hawai'i's tourism industry, particularly with repeat visitors who are seeking a different experience outside of Waikiki. Many local restaurants and shops depend on the business from these visitors to stay alive, they said.

Berger said the vacation rentals she manages are rented out only part of the year, and that licensing operations would establish regulations and higher standards that would address neighborhood concerns.

"If we are able to craft a solution, these licenses or permits are going to be renewable and they're going to be renewable based on good practice," Berger said. "And if there are complaints, if there are problems, the owners need to be accountable for that."

City Councilwoman Barbara Marshall, who with Council Chairman Donovan Dela Cruz introduced the resolutions, has indicated she was not interested in legalizing more vacation rentals.

Vacation rentals generate more complaints and that there are already more than 900 licensed vacation rentals on O'ahu, Marshall said.

Kailua Neighborhood Board chairwoman Kathy Bryant-Hunter said the board doesn't want to legalize more bed-and-breakfasts until the city demonstrates that it can draft a law and enforce it. Allowing more vacation rentals would be "absolutely out of the question," she said.

She said a 2004 board survey, in which about 180 Kailua residents responded, found that 66 percent said they opposed vacation rentals in their neighborhoods. About 33 percent were opposed to bed-and-breakfasts, she said.

A 2001 survey for the state Department of Business, Economic Development and Tourism and the Hawai'i Tourism Authority found that 70 percent of those surveyed felt that vacation rentals in their community were not a problem. But a 2002 state survey also found that less than 50 percent believed that more bed-and-breakfasts and vacation rentals in residential areas would be good for Hawai'i.

"Because it has gone unchecked for 15 years, it's proliferated and it is impacting residential neighborhoods adversely," Bryant-Hunter said. "We hear stories about the noise impacts, particularly the vacation rentals. You have visitors coming in at all times; they're on different body clocks. ... And I think that we're losing the character of a lot of our residential areas because less and less of the homes are occupied by residents and more are occupied by visitors."

The City Council Zoning Committee will hold a public meeting on resolutions 05-186 and 05-187 at 9 a.m. Tuesday at Honolulu Hale.

The proposals must go through a lengthy process that involves a series of City Council and council committee approvals, as well as a review by the city Department of Planning and Permitting and the Planning Commission.

Reach Lynda Arakawa at larakawa@honoluluadvertiser.com or at 535-2470.