DEPARTMENT OF PLANNING AND PERMITTING
PROPOSED BILL
AMENDING CHAPTERS 8, 21 AND 40, REVISED ORDINANCES OF HONOLULU 1990, AS AMENDED, RELATING TO SHORT-TERM RENTALS.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose and Intent. The purpose of this ordinance is to better regulate short-term rentals. Short-term Rentals, that is, the use of dwellings in residential districts for stays of less than 30 days, has grown significantly since the City first regulated them in 1989. Clearly, there is a demand for them. The use of social media has increased opportunities for visitors to consider these properties for short-term stays. Based on on-line advertising, there are an estimated 8,000 to 10,000 dwelling units available at any given time on Oahu, far exceeding the number of permitted units as currently provided under the Land Use Ordinance (L.U.O). Coupled with this expanding industry, the current zoning enforcement tools are outdated, particularly with respect to social media advertising and on-line booking services. In addition, the traditional hotel industry, while not opposed to short-term rentals, asserts that they should be equitably treated with respect to requirements imposed on hotels. Short-term rentals currently are taxed as residential uses, and given the type of rents charged, as much as $8,000 per night, there is an imbalance in real property tax policy.

Short-term rentals represent economic benefits to the city and state in terms of supportive jobs, tax revenues, and diversification of the visitor accommodations industry. For some residents, they are viewed as important supplemental income, as monthly sources of revenue, or to help qualify for mortgages. Some residents pride themselves on being sensitive landlords or hosts, serving as “ambassadors of aloha.” Many like the ability to use the property for their own use at least part of the year, which make it infeasible to offer the dwellings on a long-term basis.

However, for the neighborhoods that host these uses, they represent negative impacts including unfairly escalating property values, increases in noise at late hours, illegal parking, and increased traffic. There is a concern that homes are not being bought for domiciliary purposes, but as income-producing investments. Residents are generally comfortable with bed and breakfast homes, as there is an on-site resident manager or owner who is responsible for the property and can respond to any problems associated with short-term guests. In contrast, there are strong concerns about “unhosted” transient vacation rentals, particularly when there is a significant number of them in a neighborhood. With significant numbers of absentee owners and constant change in occupants, there is a change in the social patterns of neighborhoods and reduced interactions amongst neighbors, characterized as a decline in the quality of life for residents.
The purpose of this ordinance is to balance the competing views about short-term rentals. It continues to differentiate between bed and breakfast homes and transient vacation rentals, and provides a permitting system to allow both types of operations to expand under explicit requirements. Explicit requirements and standards will be monitored through an annual renewal process. It also introduces significant penalties for illegal operations and offers a new penalty for advertising illegal operations. Lastly, it proposes a new tiered real property tax classification based on the type of short-term rental operations being conducted, without penalizing adjacent residential property assessments. This ordinance represents a regulatory system that coordinates annual zoning review with annual tax assessments.

SECTION 2. Section 8-7.1, Revised Ordinances of Honolulu 1990, as amended, ("Valuation - Considerations in fixing"), is amended to read as follows:

"Sec. 8-7.1 Valuation - Considerations in fixing.

(c) (1) Real property shall be classified, upon consideration of its highest and best use, into the following general classes, unless it qualifies for a different class as defined in this section:
(A) Residential;
(B) Hotel and resort;
(C) Commercial;
(D) Industrial;
(E) Agricultural;
(F) Preservation;
(G) Public service;
(H) Vacant agricultural; [and]
(I) Residential A[ ];
(J) Bed and breakfast; and
(K) Transient vacation unit.

(i) "Bed and Breakfast Home" shall have the same meaning as defined and permitted as under Chapter 21, ROH.

(k) "Transient Vacation Unit" shall have the same meaning as defined and permitted as under Chapter 21, ROH."
SECTION 3. Section 8-10.5, Revised Ordinances of Honolulu 1990, as amended, ("Home, lease, lessees defined"), is amended to read as follows:

"Sec. 8-10.5 Home, lease, lessees defined.

(b) The subletting by the taxpayer of not more than [one] two rooms to a tenant shall not affect the exemption provided for by Section 8-10.4."

SECTION 4. Section 21-2.150-2, Revised Ordinances of Honolulu 1990, as amended, ("Administrative enforcement"), is amended as follows:

"Sec. 21-2.150-2 Administrative enforcement.

In lieu of or in addition to enforcement pursuant to Section 21-2.150-1, if the Director determines that any person is violating any provision of this chapter, any rule adopted thereunder or any permit issued pursuant thereto, the Director may have the person served, by mail or delivery, with a notice of violation and order pursuant to this section.

(a) Contents of the Notice of Violation. The notice must include at least the following information:

(1) Date of the notice;
(2) The name and address of the person noticed;
(3) The section number of the provision or rule, or the number of the permit that has been violated;
(4) The nature of the violation; and
(5) The location and time of the violation.

(6) The notice of violation may require the person to do any or all of the following:

(A) When a violation related to requirements for transient vacation units as provided under this chapter has been issued and corrected, and then a violation recurs, the violator will be assessed an initial fine of $25,000 with the first recurrence of the notice of violation issued and imposed for each day thereafter until the violation is corrected. For the second recurring violation, the fine will be $50,000 with the notice of violation issued and imposed for each day thereafter until the violation is corrected. For the third recurring violation, the fine will be $100,000 with the notice of violation issued and imposed for each day thereafter until
the violation is corrected. The third recurrence will also include attachment(s) of outstanding fines to the driver’s license application or renewal, and/or real property tax. For the fourth recurring violation, the outstanding fines will be filed as a lien against the property.

(B) When a violation related to requirements for bed and breakfast homes as provided under this chapter has been issued and corrected, and then a violation recurs, the violator will be assessed an initial fine of $10,000 with the first recurrence of the notice of violation issued and imposed for each day until the violation is corrected. For the second recurring violation, the fine will be $20,000 with the notice of violation issued and imposed for each day thereafter until the violation is corrected. For the third recurring violation, the fine will be $50,000 with the notice of violation issued and imposed for each day thereafter until the violation is corrected. The third recurrence will also include attachment(s) of outstanding fines to the driver’s license application or renewal, and/or real property tax. For the fourth recurring violation, the outstanding fines will be filed as a lien against the property.

(C) Nothing in this subsection shall preclude the department from seeking any other remedy against a violator of this section.

(b) Contents of Order.

(1) The order may require the person to do any or all of the following:

(A) Cease and desist from the violation.

(B) Correct the violation at the person’s own expense before a date specified in the order.

(C) Pay a civil fine not to exceed $1,000.00 in the manner, at the place and before the date specified in the order;

(D) Pay a civil fine not to exceed $1,000 per day for each day in which the violation persists, in the manner and at the time and place specified in the order.

(2) The order must advise the person that the order will become final 30 days after the date of its mailing or delivery. The order must also advise that the director's action may be appealed to the zoning board of appeals.
(c) Effect of Order--Right to Appeal. The provisions of the order issued by the Director under this section will become final 30 days after the date of the mailing or delivery of the order. The person may appeal the order to the zoning board of appeals as provided in Section 6-1516 of the city charter. However, an appeal to the zoning board of appeals will not stay any provision of the order.

(d) Judicial Enforcement of Order. The Director may institute a civil action in any court of competent jurisdiction for the enforcement of any order issued pursuant to this section. Where the civil action has been instituted to enforce the civil fine imposed by said order, the Director need only show that the notice of violation and order were served, that a civil fine was imposed, the amount of the civil fine imposed and that the fine imposed has not been paid."

(e) In addition to daily civil fines, notwithstanding any other provision to the contrary, the Director may impose a fine in the amount equal to the total sum collected by the operator from the impermissible rental activity during the period in which they were subject to daily fines.

SECTION 5. Table 21-3, Revised Ordinances of Honolulu 1990, as amended, ("Master Use Table"), is amended by adding "bed and breakfast" homes and "transient vacation units" to the "Dwellings and Lodgings" category as follows:
A BILL FOR AN ORDINANCE

"TABLE 21-3 MASTER USE TABLE"

In the event of any conflict between the text of this Chapter and the following table, the text of the Chapter shall control. The following table is not intended to cover the Waikiki Special District; please refer to Table 21-9.6(A).

<table>
<thead>
<tr>
<th>KEY</th>
<th>Ac</th>
<th>Special accessory use subject to standards in Article 5</th>
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<tbody>
<tr>
<td></td>
<td>Cm</td>
<td>Conditional Use Permit-minor subject to standards in Article 5; no public hearing required (see Article 2 for exceptions)</td>
</tr>
<tr>
<td></td>
<td>C</td>
<td>Conditional Use Permit-major subject to standards in Article 5; public hearing required</td>
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<td></td>
<td>P</td>
<td>Permitted Use</td>
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<tr>
<td></td>
<td>P/c</td>
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<td>Plan Review Use</td>
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</table>

<table>
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<tr>
<th>ZONING DISTRICTS</th>
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</thead>
<tbody>
<tr>
<td>USES</td>
</tr>
<tr>
<td>Dwellings and Lodgings</td>
</tr>
<tr>
<td>Bed and breakfast homes</td>
</tr>
<tr>
<td>Transient vacation units</td>
</tr>
</tbody>
</table>
SECTION 6. Section 21-4.110-1, Revised Ordinances of Honolulu 1990, as amended, ("Nonconforming use certificates for transient vacation units"), is amended as follows:

"Sec. 21-4.110-1 Nonconforming use certificates for transient vacation units.

(a) The purpose of this section is to permit certain transient vacation units which have been in operation since prior to October 22, 1986, as nonconforming uses and to allow them to continue subject to obtaining a nonconforming use certificate as provided by this section. This section applies to any owner, operator, or proprietor of a transient vacation unit who holds a valid and current nonconforming use certificate pursuant to this section on the effect date of this ordinance.

(b) [The owner, operator, or proprietor of any transient vacation unit which is operating in an area where such use is not expressly permitted by this chapter shall, within nine months of December 28, 1989, establish to the satisfaction of the director that the use was in existence prior to October 22, 1986 and has continued through December 28, 1989, or shall cease its operation. The owner, operator, or proprietor shall have the burden of proof in establishing that the use is nonconforming. Documentation substantiating existence may include records of occupancy or tax documents, such as State of Hawaii general excise-tax records, transient accommodations tax records, and federal and/or State of Hawaii income tax returns, for the years 1986 to 1989. Upon a determination that the use was in existence prior to October 22, 1986 and has continued through December 28, 1989, the director shall issue a nonconforming use certificate for the transient vacation unit.

(e) Failure to obtain a nonconforming use certificate within nine months of December 28, 1989 shall mean that the alleged nonconforming use, as of December 28, 1989, is not a bona fide nonconforming use, and shall not continue as a nonconforming use but shall be treated as an illegal use.

The owner, operator, or proprietor of any transient vacation unit who has obtained a nonconforming use certificate under this section shall apply to renew the nonconforming use certificate [in accordance with the following schedule:

(1) Between September 1, 2000 and October 15, 2000; then
(2) Between] by September August 30 [1-and-October 15] of each year [every even-numbered-year thereafter.] Each application [to renew shall] must include; [proof that it there]

(1) Proof of [were in effect] a State of Hawaii general excise tax license and transient accommodations tax license for the nonconforming use during each calendar year covered by the nonconforming use certificate being renewed and that there were transient occupancies (occupancies of less than 30 days apiece) for a total of at least 35 days during each such year;

(2) Proof [and] that [(iii)] there has been no period of 12 consecutive months during the period covered by the nonconforming use certificate being renewed without a transient occupancy. Failure to meet these conditions will result in the denial of the application for renewal of the nonconforming use certificate. The requirement for the 35 days of transient occupancies shall be effective on January 1, 1995 and shall apply to renewal applications submitted on or after January 1, 1996.

[(e)](c) The owner, operator, or proprietor of any transient vacation unit who has obtained a nonconforming use certificate under this section shall display the certificate issued for the current year in a conspicuous place on the premises. In the event that a single address is associated with numerous nonconforming use certificates, a listing of all units at that address holding current certificates may be displayed in a conspicuous common area instead.

(d) The owner, operator, or proprietor of any transient vacation unit who has obtained a nonconforming use certificate under this section, shall also comply with all requirements in subsections 21-5. by August of 2024. By this date, use of the dwelling as a transient vacation unit shall either cease or obtain a registration number as provided under subsection 21-5.

(e) Nonconforming use certificate numbers must be posted in any and all advertisements associated with the unit.”
SECTION 7. Section 21-4.110-2, Revised Ordinances of Honolulu 1990, as amended, ("Bed and breakfast homes"), is amended as follows:

"Sec. 21-4.110-2 [Bed and breakfast homes—] Nonconforming use certificates: for bed and breakfast homes.

"All bed and breakfast homes with valid nonconforming use certificates may continue to operate provided that they comply with the restrictions and standards specified in subsections 21-5. by August of 2024. By this date, use of the dwelling as a bed and breakfast home shall either cease or obtain a registration number as provided under subsection 21-5."

[(a) The purpose of this section is to prohibit bed and breakfast homes, while permitting certain bed and breakfast homes, which have been in operation since prior to December 28, 1988, to continue to operate as nonconforming uses subject to obtaining a nonconforming use certificate as provided by this section.

(b) The owner, operator, or proprietor of any bed and breakfast home shall, within nine months of December 28, 1989, establish to the satisfaction of the director that the use was in existence as of December 28, 1989, or shall cease its operation. The owner, operator, or proprietor shall have the burden of proof in establishing that the use is nonconforming. Documentation substantiating existence of a bed and breakfast home as of December 28, 1989 may include records of occupancy or tax documents, such as State of Hawaii general excise tax records, transient accommodations tax records, and federal and/or State of Hawaii income tax returns, for the year preceding December 28, 1989. Upon a determination that the use was in existence as of December 28, 1989, the director shall issue a nonconforming use certificate for the bed and breakfast home.

(c) Failure to obtain a nonconforming use certificate within nine months of December 28, 1989 shall mean that the alleged nonconforming use as of December 28, 1989, is not a bona fide nonconforming use, and shall not continue as a nonconforming use, but shall be treated as an illegal use.

(d) The owner, operator, or proprietor of any bed and breakfast home who has obtained a nonconforming use certificate under this section shall apply to renew the nonconforming use certificate in accordance with the following schedule:

(1) between September 1, 2000 and October 15, 2000; then
(2) between September 1 and October 15 of every even-numbered year thereafter.

Each application to renew shall include proof that (i) there were in effect a State of Hawaii general excise tax license and transient accommodations tax license for the nonconforming use for each calendar year covered by the nonconforming use certificate being renewed and that there were bed and breakfast occupancies (occupancies of less than 30 days apiece) for a total of at least 28 days during each such year and that (ii) there has been no period of 12 consecutive months during the period covered by the nonconforming use certificate being renewed without a bed and breakfast occupancy. Failure to meet these conditions will result in the denial of the application for renewal of the nonconforming use certificate. The requirement for the 28 days of bed and breakfast occupancies shall be effective on January 1, 1995 and shall apply to renewal applications submitted on or after January 1, 1996.

(e) Except those bed and breakfast homes which are nonconforming uses, and, after nine months from December 28, 1989, for which a nonconforming use certificate has been issued and renewed, as required, pursuant to this section, bed and breakfast homes are prohibited in all zoning districts. Section 21-5.350 relating to home occupations shall not apply to bed and breakfast homes.

(f) Those bed and breakfast homes for which a nonconforming use certificate has been issued and renewed, as required, pursuant to this section shall operate pursuant to the following restrictions and standards:

(1) Detached dwellings used as bed and breakfast homes shall be occupied by a family and shall not be used as a group living facility. Rooming shall not be permitted in bed and breakfast homes.

(2) No more than two guest rooms shall be rented to guests, and the maximum number of guests permitted within the bed and breakfast home at any one time shall be four.

(3) There shall be no exterior signage that advertises or announces that the dwelling is used as a bed and breakfast home.

(4) One off-street parking space shall be provided for each guest room, in addition to the required spaces for the dwelling unit.
(g) The owner, operator, or proprietor of any bed and breakfast home who has obtained a nonconforming use certificate under this section shall display the certificate issued for the current year in a conspicuous place on the premises.

SECTION 8. Chapter 21, Article 5, Revised Ordinances of Honolulu 1990, as amended, ("Specific Use Development Standards"), is amended by adding a new section for "Bed and breakfast homes and transient vacation units." To be appropriately numbered by the Revisor of Ordinances and to read as follows:

"Sec. 21-5. Bed and breakfast homes and transient vacation units.

(a) Bed and breakfast homes and transient vacation units shall be permitted in the Resort zones and Resort Mixed Use Precincts. They shall also be permitted in the A-2 medium density apartment zoning district provided:

(1) They are within 3,500 feet of a resort zoning district of greater than 50 contiguous acres; and

(2) The resort district and the A-2 district shall have been rezoned pursuant to the same zone change application as part of a master-planned resort community.

(b) In all zoning districts where bed and breakfast homes and transient vacation units are permitted, except for in Resort zones, Resort Mixed Use Precincts, and those allowed in the A-2 medium density apartment zoning district pursuant to Section 21-5. (a), the following requirements and standards shall apply:

(1) For a bed and breakfast home or transient vacation unit that will be occupied by transient residents for more than 30 days per calendar year, the owner, operator, or proprietor must submit the following information in the initial application:

   i. Affirmation that the applicant of the bed and breakfast home or transient vacation units is a Natural Person.
   ii. Affirmation that the applicant does not hold and/or operate more than one bed and breakfast establishment or transient vacation unit at one time.
   iii. Evidence of having paid State of Hawaii General Excise Taxes (GET) and Transient Accommodations Taxes (TAT).
iv. Evidence of a Real Property Tax (RPT) Home Exemption for the subject property.

v. An initial fee of $800 for bed and breakfast homes, and an initial fee of $1,200 for transient vacation units.

vi. Evidence that the use is covered by an insurance carrier for the property.

vii. Confirmation that bed and breakfast and transient vacation units are permitted by the Homeowners' or Apartment Owners' Association and/or Condominium Property Regime, if applicable.

viii. An affidavit, signed by the owner, indicating that the owner does not own an interest in any other bed and breakfast or transient vacation unit in the City and County of Honolulu.

ix. A floor plan showing the location of guest rooms for bed and breakfast homes, and the total number of bedrooms for transient vacation units.

(2) Application renewal requirements. Annually, by August 30, the owner, operator, or proprietor of a bed and breakfast home or transient vacation unit that will be occupied by transient residents for more than 30 days per calendar year must submit to the department:

i. Affirmation that the applicant for a bed and breakfast home or transient vacation unit is a Natural Person.

ii. Affirmation that the owner does not hold and/or operate more than one bed and breakfast establishment or transient vacation unit at one time.

iii. Evidence of having paid State of Hawaii General Excise Taxes (GET) and Transient Accommodations Taxes (TAT).

iv. Evidence of a Real Property Tax (RPT) Home Exemption for the subject property.

v. A renewal fee of $200 for bed and breakfast homes, and a renewal fee of $500 for transient vacation units.

vi. Evidence that the use is covered by an insurance carrier for the property.

vii. Confirmation that bed and breakfast and transient vacation units are permitted by the Homeowners’ or Apartment Owners’ Association and/or Condominium Property Regime, if applicable.
viii. An affidavit, signed by the owner, indicating that the owner does not own an interest in any other bed and breakfast or transient vacation unit in the City and County of Honolulu.

ix. The renewal of a permit for a bed and breakfast or transient vacation unit shall be granted upon receipt of an application meeting all requirements set forth herein, provided that if complaints from the public indicate that noise created from patrons disturbs residents of the neighborhood in which the premises are located, or where other good cause exists, the Director may deny the renewal application.

(3) Restrictions and Standards. Bed and breakfast homes and transient vacation units that will be occupied by transient residents for more than 30 days per calendar year must operate in accordance with the following restrictions and standards:

i. Detached dwellings used as bed and breakfast homes shall be occupied by a family. Roomers shall not be permitted in bed and breakfast homes.

ii. No more than two guest rooms in a bed and breakfast shall be rented to guests, and the maximum number of guests permitted within the bed and breakfast home at any one time shall be four.

iii. Functioning smoke and carbon monoxide detectors must be installed in each bedroom.

iv. House rules, including quiet hours between 10:00 p.m. and 8:00 a.m. and emergency contact information must be provided to all guests and posted in conspicuous locations.

v. The owner shall provide the name and telephone number of an Oahu-based property manager to the residents of all adjoining properties.

vi. The owner shall maintain a current two-year registry setting forth the names and telephone numbers of all guests and the dates of their respective stays.

vii. There shall be no exterior sign that shows the dwelling unit is used as a bed and breakfast home or transient vacation unit.

viii. Approval for bed and breakfast home or transient vacation unit is not transferable, and shall not run with the land.

ix. Density Limit for Transient Vacation Units. The number of transient vacation units allowed shall be limited in each
development plan area. Excluding Resort zones, Resort Mixed Use Precincts, and those allowed in the A-2 medium density apartment zoning district where the number of transient vacation units are not limited, there shall be no more than one percent of the total number of dwelling units in each development plan area allowed as transient vacation units. The total number of dwelling units shall be based on the latest figures from the U.S. Census data. Where the initial number of applications exceed this number, acceptance shall be selected on a lottery basis. When renewal applications fall below the one percent, new applications can be accepted on a lottery basis.

(4) Dwelling units to be used as bed and breakfast homes or transient vacation units for less than 30 days per calendar year may obtain a registration for limited short-term rentals. Applicants shall annually file a registration form with the department acknowledging that rental is limited to less than 30 days per calendar year. The filing fee shall be $50.00. The application may be filed with the department at any time.

(5) Advertisements for any bed and breakfast home and transient vacation unit must comply with Section 40____, ROH, regardless of the number of days it is used for transient accommodations.

(6) Upon reasonable notice, any bed and breakfast home and transient vacation unit must be made available for inspection.

(7) A violation of any provision of this section shall be grounds for administrative fines and nonrenewal unless corrected before the renewal deadline. However, recurring violations shall result in denial of renewal requests.

SECTION 9. Section 21-5.640, Revised Ordinances of Honolulu 1990, as amended, ("Time sharing and transient vacation units"), is amended as follows:

"Sec. 21-5.640 Time sharing [and transient vacation] units.

Time sharing [and transient vacation] units shall be permitted in the A-2 medium density apartment zoning district provided:
(a) They are within 3,500 feet of a resort zoning district of greater than 50 contiguous acres; and

(b) The resort district and the A-2 district shall have been rezoned pursuant to the same zone change application as part of a master-planned resort community.

SECTION 10. Table 21-6.1, Revised Ordinances of Honolulu 1990, as amended, ("Off-street Parking Requirements"), is amended by adding a new use for "Bed and breakfast homes, transient vacation units" to read as follows:
## Table 21-6.1
### Off-street Parking Requirements

<table>
<thead>
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<th>Use</th>
<th>Requirement²</th>
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<tbody>
<tr>
<td>COMMERCE AND BUSINESS</td>
<td></td>
</tr>
<tr>
<td>Automotive and boat parts and services, but not storage and repair;</td>
<td></td>
</tr>
<tr>
<td>automobile and boat sales and rentals; catering establishments;</td>
<td></td>
</tr>
<tr>
<td>dance or music schools; financial institutions; home improvement</td>
<td>1 per 400 square feet</td>
</tr>
<tr>
<td>centers, laboratories (medical or research); medical clinics;</td>
<td></td>
</tr>
<tr>
<td>offices, other than herein specified; personal services;</td>
<td></td>
</tr>
<tr>
<td>photographic processing; photography studios; plant nurseries;</td>
<td></td>
</tr>
<tr>
<td>retail establishments other than herein specified; and veterinary</td>
<td></td>
</tr>
<tr>
<td>establishments</td>
<td></td>
</tr>
<tr>
<td>Bed and breakfast homes, transient vacation units</td>
<td>1 per bedroom</td>
</tr>
<tr>
<td>Bowling alleys</td>
<td>3 per alley</td>
</tr>
<tr>
<td>Business services</td>
<td>1 per 500 square feet</td>
</tr>
<tr>
<td>Convenience stores; and sales; food and grocery stores (including</td>
<td>1 per 300 square feet</td>
</tr>
<tr>
<td>neighborhood grocery stores)</td>
<td></td>
</tr>
<tr>
<td>Data processing facilities</td>
<td>1 per 800 square feet</td>
</tr>
<tr>
<td>Drive-thru facilities (window or machine)</td>
<td>5 stacking spaces</td>
</tr>
</tbody>
</table>
| Eating and drinking establishments (including bars, nightclubs,    | 1 per 300 square feet, provided the total floor area of all eating
| taverns, cabarets, and dance halls)                                 | drinking establishments comprises 50 percent or more of the floor
| Laundromats, cleaners: coin operated                                | 1 per 2 washing machines |
| Mobile commercial establishments: 3 or more                        | 5 per vehicle |
| Sales: appliance, household and office furniture; machinery; and    | 1 per 900 square feet |
| plumbing and heating supply                                         |              |
| Self-storage facilities                                            | 1 per 2,000 square feet |
| Shopping centers³                                                  | 1 per 300 square feet |
| Skating rinks                                                      | 1 for each 4 skaters of the rink's maximum capacity or 1 per 1,500
|                                                                 | square feet of skating surface, whichever is greater |

Notes:
1. Where a proposed use is not specifically listed above, or it falls under more than one use listed above, the director will review the proposed use and, based on the characteristics of the use, determine its equivalent and applicable off-street parking and loading requirements.
2. All references to square feet refer to floor area.
3. Parking standards for individual uses shall prevail if they are not part of a commercial use that meets the definition of “shopping center.”
4. Where a proposed use is not specifically listed above, or it falls under more than one use listed above, the director will review the proposed use and, based on the characteristics of the use, determine its equivalent and applicable off-street parking and loading requirements for the BMX-4 district.
5. All references to square feet refer to floor area.
6. Where a proposed use is not specifically listed above, or it falls under more than one use listed above, the director will review the proposed use and, based on the characteristics of the use, determine its equivalent and applicable off-street parking and loading requirements for the Waikiki special district.
7. Excluding transient vacation units and bed and breakfast homes in Resort zones, the Resort Mixed Use Precinct, and those identified in section 21-5.640."
SECTION 11. Table 21-9.6(A), Revised Ordinances of Honolulu 1990, as amended, ("Waikiki Special District Precinct Permitted Uses and Structures") is amended by adding new uses, "Bed and breakfast homes" and "Transient vacation units" to read as follows:

<table>
<thead>
<tr>
<th>Use or Structure</th>
<th>Precinct</th>
<th></th>
<th></th>
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<tr>
<td></td>
<td></td>
<td>Apartment</td>
<td>Resort Mixed Use</td>
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<tr>
<td>Bed and Breakfast Homes</td>
<td>P/c</td>
<td>P</td>
<td></td>
</tr>
<tr>
<td>Transient Vacation Units</td>
<td>P/c</td>
<td>P&quot;</td>
<td></td>
</tr>
</tbody>
</table>

SECTION 12. Chapter 40, Revised Ordinances of Honolulu 1990, as amended, "Prohibited Activities in the City" is amended by adding a new Section for "Advertisement of Short-term Rentals." To be appropriately numbered by the Revisor of Ordinances and to read as follows:

"Sec. 40-____ Advertisement of Short-term Rentals.

Sec. 40-___ 1 Definitions.

As used in this article:

"Advertisement" means any sign, banner, pictorial statement, broadcast in English or any other language, used to publicize or offer for accommodation any dwelling unit or lodging unit, or portion thereof, or any other permanent or temporary habitable space within the City and County of Honolulu as a transient vacation unit or bed and breakfast home.

"Bed and breakfast home" shall have the same meaning as under Section 21-10.1, ROH.

"Person" includes businesses, non-profit organizations, firms, partnerships, corporations, and individuals.
"Transient vacation unit" shall have the same meaning as under Section 21-10.1, ROH.

Sec. 40-2 Prohibition.

(a) It is unlawful for any person to cause the advertisement of a short-term bed and breakfast home and transient vacation unit without including in the advertisement an up-to-date registration number that will be provided upon compliance with Section 21-5.

(b) Upon receiving a notice of violation, the advertisement shall be removed within seven days. If not removed within seven days, a fine shall be levied for each day the advertisement is on public display, as provided in subsection 4 herein.

(c) The existence of an advertisement will be prima facie evidence of a bed and breakfast home or a transient vacation unit being operated at the listed address. The burden of proof shall be on the property owner to establish otherwise that the subject property is not being used as a transient vacation unit or bed and breakfast home, or that the advertisement was placed without the property owner's knowledge or consent.

Sec 40-3 Exceptions.

(a) Legally established hotels, whether owned by one person, or owned individually as unit owners, but operating as a hotel as defined by Section 21, Article 10, ROH are exempt from this advertising restriction.

(b) Legally established time-sharing units, as provided under subsection 21-5.640 are exempt from this advertising restriction.

(c) Legally established short-term rentals in Resort zones, Resort Mixed Use Precincts, and those allowed in the A-2 medium density apartment zoning district where the number of transient vacation units are not limited are exempt from this advertising restriction.

(d) Legally established long-term rental units are exempt from this advertising restriction. All advertisements associated with long-term rentals shall specify a rental duration that exceeds 30 days.
Sec 40- 4. Citations-Penalties.

Any person who violates any of the provisions of this article shall be fined not less than $25,000.00 and not more than $50,000.00 for each day that the advertisement is on public display beyond seven days from receiving a notice of violation. Landowners, agents, or any other person associated with the property shall be liable for each violation, whether or not they are named in the advertisement."
SECTION 13. Ordinance material to be repealed is bracketed and stricken. New ordinance material is underscored. When revising, compiling or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the material that has been bracketed and stricken, or the underscoring.

SECTION 14. This ordinance shall take effect on May 1, 2019.

INTRODUCED BY:

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DATE OF INTRODUCTION:

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________________________________________

Honolulu, Hawaii Councilmembers

APPROVED AS TO FORM AND LEGALITY:

________________________________________

Deputy Corporation Counsel

APPROVED this _____ day of _____________, 20_____.

________________________________________

KIRK CALDWELL, Mayor
City and County of Honolulu

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