From:	Shylah Hales
To:	Planning WPC Testimony
Subject:	Testimony for BILL154 (S. Hales)
Date:	Thursday, July 9, 2026 1:58:03 PM
Attachments:	image001.png image002.png image004.png Bill 154 Testimony S. Hales.pdf

To: Hawaiʻi County Council
74-5044 Ane Keohokālole Highway , Building A
Kailua-Kona, HI 96740
July 8th, 2026

RE: Opposition to Bill 154: Regulation of Private Parking Facilities in Kailua Village

Dear Council Members,
I am writing to formally express strong opposition to Bill 154, which proposes to regulate pricing and operations of private parking facilities in Kailua Village. While the intent to address community concerns is understood, the bill, as currently drafted, represents a significant overreach into private property rights and imposes a one-size-fits-all regulatory framework on a highly complex and diverse market.

Bill 154 seeks to impose uniform rate caps, mandatory free parking periods, and operational restrictions on all private parking facilities, without regard to the substantial differences in ownership structures, financial obligations, property conditions, and business objectives. Private properties are not all the same. They vary widely in terms of acquisition costs, lease structures, maintenance burdens, and reinvestment needs. A blanket regulatory approach fails to account for these realities and places an inequitable burden on property owners who rely on parking revenue to sustain and improve their assets.

Of particular concern is the economic impact this legislation will have on both private stakeholders and the County itself. By artificially capping parking rates and mandating free parking periods, the bill will materially reduce parking revenue across the district. **This reduction will directly impact tax revenues derived from parking operations, including general excise tax and other related economic activity. In effect, the County and State risk diminishing their own tax base while simultaneously restricting the ability of private property owners to generate income necessary for property maintenance, compliance, and capital improvements.**

Moreover, this legislation creates a troubling inconsistency in governance. The County is seeking to regulate private parking operations while its own municipal parking facilities remain, by its own acknowledgment, under-managed and inconsistently enforced. Imposing strict regulatory controls on private operators, while public facilities lack comparable oversight or effectiveness, raises serious concerns regarding fairness, equity, and administrative justification.

From a legal and policy standpoint, Bill 154 raises significant concerns regarding regulatory overreach. While governments may enact reasonable consumer protection measures, the imposition of strict price controls on private property ventures into an area that may be construed as excessive interference with lawful business operations. The proposed restrictions do not appear to be narrowly tailored and instead broadly limit the ability of property owners to determine how their assets are utilized and monetized.
The unintended consequences of this legislation are substantial. These include:

- A reduction in reinvestment into private properties, particularly those requiring significant capital improvements or remediation
- Financial harm to small and locally owned property holders who depend on parking revenue to offset rising costs
- Distortion of market dynamics, leading to decreased availability of managed parking and potential underutilization of private assets
- Broader negative economic impacts to the Kailua Village area, including reduced business viability and diminished visitor experience

Importantly, the issues cited as justification for this bill, such as storefront vacancies and community dissatisfaction, are multifaceted and cannot be attributed solely, or even primarily, to parking practices. Addressing these concerns requires a comprehensive and data-driven approach, not a singular regulatory mandate applied uniformly across all private properties.

For these reasons**, I respectfully urge the Council to reconsider Bill 154** and to consider the diverse economic realities faced by property owners in Kailua Village.
Thank you for your consideration of these concerns.

Best,

Shylah Hales, PTMP
Regional Manager | San Diego
DIAMOND PARKING SERVICES
Direct: (808) 329-3103

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Best Regards,

Shylah Hales
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