

**STATE OF HAWAII  
OFFICE OF PLANNING  
& SUSTAINABLE DEVELOPMENT**

**DAVID Y. IGE**  
GOVERNOR

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Coastal Zone  
Management  
Program

Environmental Review  
Program

Land Use Commission

Land Use Division

Special Plans Branch

State Transit-Oriented  
Development

Statewide Geographic  
Information System

Statewide  
Sustainability Branch

Statement of  
**MARY ALICE EVANS**  
Director, Office of Planning and Sustainable Development  
before the  
**SENATE COMMITTEES ON HOUSING AND GOVERNMENT  
OPERATIONS**

Thursday, February 3, 2022

1:00 PM

State Capitol, Conference Room 225

in consideration of

**SB 2922**

**RELATING TO RURAL DISTRICTS.**

Chairs Chang and Moriwaki, Vice Chairs Kanuha and Dela Cruz, and  
Members of the Senate Committees on Housing and Government Operations.

The Office of Planning and Sustainable Development (OPSD) offers **comments** on SB 2922, which would amend HRS Chapter 205 to increase the density of the State Rural District by allowing a minimum density of not more than one house per one-quarter acre provided that each dwelling house shall be consistent with the county general plan and community development plans.

OPSD supports measures that promote the development of housing and recognizes that the State Rural District, which includes only 0.3% of all the lands in the State, has been underutilized. We are concerned, however, that SB 2922 may exacerbate unintended residential sprawl in the Rural District. Therefore, OPSD prefers and strongly supports SB 2766 which requires OPSD to perform a study to refine Rural District policies and make recommendations to facilitate the reclassification of lands from the State Agricultural District to the Rural District. Any potential amendments to HRS Chapter 205 regarding Rural District density would be better informed by the results of such a study.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE  
Governor

JOSH GREEN  
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER  
Chairperson, Board of Agriculture

MORRIS M. ATTA  
Deputy to the Chairperson

State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEES ON HOUSING AND GOVERNMENT  
OPERATIONS**

**THURSDAY, FEBRUARY 3, 2022  
1:00 P.M.  
VIA VIDEOCONFERENCE**

**SENATE BILL NO. 2922  
RELATING TO RURAL DISTRICTS**

Chairpersons Chang and Moriwaki and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2922 that seeks to double the allowable housing density on the minimum one-half acre lot size in the Rural District provided that the counties adopt ordinances to do so and are consistent with the county general and community development plans. Currently, only one dwelling is permitted on one-half acre Rural District lots. The intent of this proposed amendment is to increase "...housing opportunities where appropriate" (page 1, line 8). The Department of Agriculture has concerns.

Section 205-2(c) describes the State Rural District as "...areas where "city-like" concentration of people, structures, streets, and urban level of services are absent, and where small farms are intermixed with low density residential lots..." The Department questions whether doubling the allowable housing on one-half acre Rural District lots would change the fundamental character of the District. Further, the Department is concerned that the proposed amendment may lead to an increase in petitions to reclassify Agricultural District lands to the Rural District. In turn, this may increase land



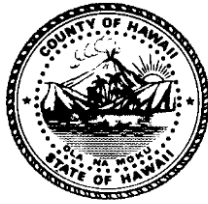
values for agricultural properties that anticipate reclassification and make more costly the acquisition of agricultural lands by bona fide farmers for agricultural production.

Thank you for the opportunity to provide our testimony on this measure.

Mitchell D. Roth  
*Mayor*

Lee E. Lord  
*Managing Director*

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**County of Hawai'i**  
**PLANNING DEPARTMENT**

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*Director*

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February 2, 2022

Testimony by  
**ZENDO KERN**  
**Director, County of Hawai'i Planning Department**  
before the  
**Committee on Housing**  
**Committee on Government Operations**  
**Tuesday, February 3, 2022, 1:00 P.M.**  
**State Capitol, Conference Room 225**

In consideration of  
**SB 2922**  
**Relating to Rural Districts**

Honorable Chair Chang, Vice Chair Kanuha and Members of the Housing Committee  
Honorable Chair Morikawa, Vice Chair Dela Cruz and Members of the Government Operations  
Committee

Thank you for the opportunity to submit testimony in **SUPPORT** of Senate Bill 2922 relating to the Rural District. The County of Hawai'i is in support of allowing a dwelling on each quarter-acre within the State Land Use Rural District, which will increase housing opportunities within our County. This is with the understanding that this allowance is consistent with our General Plan and community development plans.

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February 3, 2022

**The Honorable Stanley Chang, Chair**

Senate Committee on Housing

**The Honorable Sharon Y. Moriwaki, Chair**

Senate Committee on Government Operations

Via Videoconference

**RE: Senate Bill 2922, Relating to Rural Districts**

**HEARING: Thursday, February 3, 2022, at 1:00 p.m.**

Aloha Chair Chang, Chair Moriwaki, and Members of the Joint Committees,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its over 10,800 members. HAR **supports** Senate Bill 2922, which authorizes the counties to adopt ordinances that allow up to one dwelling per quarter-acre in rural districts.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the State needs up to 46,000 housing units to meet demand in Hawai'i by 2030. Ultimately, we have a housing supply problem, and this measure is a creative approach to address those challenges, by providing counties the authority and flexibility to adopt ordinances to permit dwellings on a quarter-acre of rural lands instead of a half-acre.

Mahalo for the opportunity to testify.

**SB-2922**

Submitted on: 2/2/2022 12:43:44 PM

Testimony for HOU on 2/3/2022 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Gerald Gordner	Individual	Support	No

## Comments:

I am a researcher in urban planning and land use policy and I strongly support this bill. Recent research has found that mandatory minimum lot sizes are the single most significant contributor to housing prices in high-demand areas. These regulations force homebuyers to purchase more land than they want or need, which increases the minimum cost of a home and prevents that land from being used for other purposes (including more housing units). MMLS also undermine important planning goals, including sustainability and walkability, by legally mandating low-density, car-centric living arrangements on most land. This committee should take every opportunity to permit counties to reduce or eliminate these regulations.