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Governor

JOSH GREEN  
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER  
Chairperson, Board of Agriculture

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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEES ON WAYS AND MEANS AND JUDICIARY**

**TUESDAY, APRIL 6, 2021  
10:00 A.M.  
VIA VIDEO CONFERENCE**

**HOUSE BILL NO. 502, HD2, SD1  
RELATING TO RURAL DISTRICTS**

Chairpersons Dela Cruz and Rhoads and Members of the Committees:

Thank you for the opportunity to testify on House Bill No. 502, HD 2, SD 1 that seeks to double the allowable housing density on the minimum one-half acre lot size in the Rural District provided that these dwellings are consistent with the county general and community development plans. Currently, only one dwelling is permitted on one-half acre Rural District lots. The purpose of this proposed amendment is to address the "...need for additional local housing.." and "...permitting the counties to adopt an ordinance to allow dwellings on each quarter-acre will provide the required flexibility..." (page 1, lines 1-4) The Department of Agriculture has strong concerns.

The Rural District is the smallest of the four land use districts in Hawaii. In 2018, the Rural District represented 0.0028 percent (11,747 acres) of Hawaii's 4.1 million acres. The total statewide acreage in Rural District has ranged from 10,201 to 11,747 from 1983 to 2018, an increase of 15 percent over 35 years. Maui island has 4,198 acres or 36 percent of Rural District land in the state, followed by Lanai (2,497 acres), the Big Island (2,023 acres), Molokai (1,866 acres), and Kauai (1,253 acres). The Rural District is not found on Oahu.



The locations of most Rural District areas are adjacent to Urban District lands. Notable exceptions to this are found in the Kula-Keokea area in upcountry Maui; along the northeastern and southern shores of Lanai; the south shore of Molokai; and Koloa, Wailua, and Wainiha on Kauai – all of which are surrounded by Agricultural District lands.

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 changes 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 comment on this measure

April 6, 2021

**The Honorable Donovan Dela Cruz, Chair**

Senate Committee on Ways and Menas

**The Honorable Karl Rhoads, Chair**

Senate Committee on Judiciary

Via Videoconference

**RE: H.B. 502, HD2, SD1, Relating to Rural Districts**

**HEARING: Tuesday, April 6, 2021, at 10:00 a.m.**

Aloha Chair Dela Cruz, Chair Rhoads, 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 10,000 members. HAR **supports** House Bill 502, HD2, SD1, 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 each quarter-acre of rural lands.

A quarter acre is equal to 10,890 square feet. HAR believe that is a sufficient lot size for a single-family home, while keeping within the characteristics of our rural communities.

Mahalo for the opportunity to testify.

**HB-502-SD-1**

Submitted on: 4/1/2021 9:53:36 PM

Testimony for WAM on 4/6/2021 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Gerard Silva	Individual	Oppose	No

Comments:

This will damage the ag industry. We prefer more land not less. We do not need more people moving in without more roads and county or state funding to pay for the roads, water, electric and so on.

**HB-502-SD-1**

Submitted on: 4/5/2021 10:01:19 AM

Testimony for WAM on 4/6/2021 10:00:00 AM

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Maxx Phillips	Individual	Oppose	No

Comments:

Please accept my testimony in strong opposition to **HB502 HD2 SD1**. Doubling the allowable housing on one-half acre Rural District lots will change the fundamental character of the Rural District. This will negatively impact our neighbor islands. Further, the the proposed amendment will likely lead to an increase in petitions to reclassify Agricultural District lands to the Rural District. In turn, this will likley 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.

Mahalo,

Maxx Phillips