



LAND USE COMMISSION

Komikina Ho'ohana 'Āina

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
Ka 'Oihana Ho'omōhala Pā'oihana, 'Imi Wai wai a Ho'omāka'ika'i

JOSH GREEN, MD
GOVERNOR

DANIEL ORODENKER
EXECUTIVE OFFICER

235 S. Beretania Street, RM 406, Honolulu, Hawai'i 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804
Email Address: dbedt.luc.web@hawaii.gov

Telephone: (808) 587-3822
Fax: (808) 587-3827
Website: luc.hawaii.gov

February 22, 2023

Statement of
Daniel E. Orodenker
Executive Officer
State Land Use Commission

Before the
House Committee on
Finance

Friday February 24, 2023
10:00 AM
State Capitol, Room 308

In consideration of
HB 670 HD2
RELATING TO THE LAND USE COMMISSION

Chair Yamashita; Vice Chair Kitagawa; and members of the House Committee on Finance:

The LUC is not opposed to HD2 of this measure which reduces the number of required votes to approve a petition from 6 to 5.

We also join in the prior comments from the Office of Hawaiian Affairs.

Thank you for the opportunity to testify on this matter.



HB670 HD2
RELATING TO THE LAND USE COMMISSION
House Committee on Finance

February 24, 2023

10:00 AM

Room 308

The Office of Hawaiian Affairs (OHA) **STRONGLY OPPOSES HB 670 HD2**, which would reduce the number of Land Use Commission (LUC) votes needed to approve a district boundary amendment (DBA) from a super majority of the LUC to a simple majority. **OHA's opposition to this measure stems from the measure's disregard for the State's constitutional duties, the direct harm such a measure may cause for Hawai'i's sustainability goals, and from the fact that the LUC was created as a necessary 'check-and-balance' to ensuring that Hawai'i's lands were preserved and protected, while encouraging best uses.**¹ **Removing these requirements erodes this system of protection.**

Article XI, Section 3 of the Hawai'i State Constitution states that "[l]ands identified by the State as **important agricultural lands... shall not be reclassified by the State or rezoned by its political subdivisions without... [being] approved by a two-thirds vote of the body responsible for the reclassification or rezoning action.**"² The proposed measure, as written, amends Hawai'i Revised Statutes §205-1 to authorize the LUC to approve any DBA by a simple majority, including DBAs for important agricultural lands, rather than requiring a two-thirds vote of the body as required. This would not only threaten IAL, but also negatively affect food sustainability in Hawai'i .

Currently, "more than 80% of Hawai'i's food is imported"³. The Hawai'i 2050 Sustainability Plan – Ten Year Measurement Update noted that "[t]he 2008 Hawaii 2050 Sustainability Plan measured that about 15% of the food consumed in Hawaii was grown locally, and 35% of the fruits and vegetables consumed were locally grown."⁴ The Office of Planning has previously stated that food production in Hawai'i is hampered in part by "pressure on the use of important agricultural land for higher value purposes."⁵

¹ State of Hawai'i Land Use Commission, Purpose of the Law, available at, <https://files.hawaii.gov/luc/about.htm#:~:text=The%20Commission%20is%20responsible%20for,which%20lands%20are%20best%20suited.&text=The%20Commission%20is%20composed%20of,each%20of%20the%20four%20cou> nties.

² Haw. Const. art. XI, § 3.

³ City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, *Food Systems*, <https://www.resilientoahu.org/food-systems> last accessed February 9, 2023.

⁴ State of Hawaii Office of Planning, *Hawaii 2050 Sustainability Plan – Ten Year Measurement Update (2008-2017)*, March 7, 2018, page 39.

⁵ State of Hawaii, Office of Planning, *Increased Food Security and Food Self-Sufficiency Strategy*, October 2012, page 16, available at http://files.hawaii.gov/dbedt/op/spb/INCREASED_FOOD_SECURITY_AND_FOOD_SELF_SUFFICIENCY_STRATEGY.pdf, last accessed February 9, 2023.



HB670 HD2
RELATING TO THE LAND USE COMMISSION
House Committee on Finance

While housing is a critical need in the State of Hawai‘i , so too is reliable access to food. Nearly every DBA reviewed by the LUC in recent history has been to convert Agricultural or Conservation District lands to Urban or Rural District lands. A total of 24 DBAs have been filed with the LUC from 2010 as of the beginning of February 2023. A review of each DBA application filed with the LUC from 2010 to present indicates that, of the 24 DBAs filed with the LUC in this 13-year period, a total of 17 DBAs have been granted with one DBA being denied on initial submission but granted upon reconsideration; 3 DBAs have been withdrawn by the petitioner, 1 other was terminated by the petitioner, and 3 DBAs appear to be currently in progress.⁶ Of these 24 DBA applications, the vast majority have been to redistrict Agricultural or Conservation lands to Urban, with several applications including a request for amendment to Rural, while only one request was to reclassify lands to Agricultural from Conservation.

As of September 4, 2020, a total of 136,489 acres of land has been designated by the LUC as IAL, with approximately 37,410 acres of IAL on Kauai, 15,205 acres of IAL on Oahu, 27,102 acres of IAL on Maui, and 56,772 acres of IAL on the island of Hawai‘i .⁷ In designating IAL, the LUC has played a protective role in protecting IAL from “higher value” uses, which in turn has helped support Hawai‘i’s food sustainability goals.

By simplifying the DBA process for the LUC, this measure would permanently remove more Agricultural lands from use for food production and directly impact food sustainability in Hawai‘i . Removing Agricultural lands from agricultural uses is only a “higher value” for developers making money, it would not be a higher value for all of the residents in Hawai‘i that depend on imported food that can be disrupted by supply chain issues, such as what the State just experienced during the pandemic.

By weakening the 2/3 majority requirement of the LUC for all DBAs, including DBAs involving IAL, this measure would violate the Hawai‘i State Constitution.

OHA appreciates the opportunity to express our concerns with the implications of this measure and urges the Legislature to **DEFER HB 670 HD2**. Mahalo nui loa.

⁶ State of Hawaii Land Use Commission, *Completed Dockets: Boundary Amendments*, available at <https://luc.hawaii.gov/completed-dockets/boundary-amendments/>, last accessed 1/31/2023.

⁷ State of Hawaii, Department of Agriculture, *Designated Important Agricultural Lands – by Island*, September 4, 2020, available at <https://hdoa.hawaii.gov/wp-content/uploads/2022/03/IAL-voluntary-summary-updated-9-4-20.pdf>, last accessed February 9, 2023.

HB-670-HD-2

Submitted on: 2/22/2023 10:11:01 AM

Testimony for FIN on 2/24/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kupuna for the Mo'opuna	Kupuna for the Moopuna	Oppose	Written Testimony Only

Comments:

Aloha,

STRONG OPPOSITION TO HB 670 HD2

The Land Use Commission was created to provide constitutional protections and best use practices of Hawai'i's limited lands.

Do not diminish the 2/3 majority vote necessary to preserve the checks and balances of the LUC.

Mahalo.

February 24, 2023

The Honorable Kyle T. Yamashita, Chair

House Committee on Finance

State Capitol, Conference Room 308 & Videoconference

RE: House Bill 670, HD2, Relating to the Land Use Commission

HEARING: Friday, February 24, 2023, at 10:00 a.m.

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i and its over 11,000 members. HAR **supports** House Bill 670, HD2, which specifies that a simple majority of affirmative votes from the members serving on the land use commission is required for any boundary amendment. Effective 7/1/3000.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the state needs up to 45,497, housing units to meet demand in Hawai'i by 2030.¹ As the Land Use Commission is an integral part of the district boundary amendment process, this measure may help streamline the land use process and help our State address our housing challenges.

For the foregoing reasons, Hawai'i Association of REALTORS® supports this measure. Mahalo for the opportunity to testify.

¹ Department of Business, Economic Development & Tourism. (2019). *Hawaii Housing Demand 2020-2030*. <https://files.hawaii.gov/dbedt/economic/reports/housing-demand-2019.pdf>



February 24, 2023
10:00 a.m.
Conference Room 308
Via Videoconference

To: House Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: HB670 HD2— RELATING TO THE LAND USE COMMISSION

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on [HB670 HD2](#), which attempts to streamline the process by which the state Land Use Commission acts on boundary amendments.

Under this bill, the number of affirmative votes required for a boundary amendment would be reduced from six to a simple majority of those serving on the LUC.

This bill correctly identifies and addresses one of the major causes for the slow growth of housing in this state: the delays caused by multiple layers of bureaucratic approvals.

Delays in county and state approvals — whether caused by permitting backlogs or the difficulties of navigating Hawaii’s multitiered approval process — are one of the reasons Hawaii’s average approval delay is three times the national mean.¹

We commend this committee for considering a bill that would reduce such delays at LUC.

¹ Rachel Inafuku, Justin Tyndall and Carl Bonham, “[Measuring the Burden of Housing Regulation in Hawaii](#),” Economic Research Organization at the University of Hawai’i, April 14, 2022, p.7.

Over time, the LUC has evolved into a kind of state-level zoning and approval agency, which has added to the delay and bureaucracy faced by those looking to develop more housing. A Grassroot Institute of Hawaii report, "[Reform the Hawaii LUC to encourage more housing](#)," discussed how state policymakers could encourage the growth of housing by reexamining the role and purpose of the LUC.

The Grassroot report focused heavily on ways to reduce the scope of the LUC, leaving it free to focus on statewide environmental issues and district boundary amendments of conservation lands. But it also promoted the idea of making the LUC more efficient in general.

We do have one concern about an amendment to this bill. The removal of the bill's original time limits on LUC actions might be responsive to the objections of the LUC, but it frustrates the intent of this bill to streamline LUC decision-making.

The Grassroot Institute of Hawaii suggests the inclusion of a compromise time limit, such as 150 days for a hearing and 250 days for a decision. This is still a reduction of the current limits, but would give the LUC more time to make its determinations. Given the LUC's previous testament that most projects were heard within the required 180 days and that the LUC is able to issue extensions as needed for larger projects, this should be a reasonable middle ground.

Further reform should look at ways to continue refocusing the LUC to better achieve its original purpose. But in the short term, this bill would help reduce the wait for housing developments that require LUC approval.

For anyone who wants to see more homes built, enactment of this bill would be an important and very welcome step forward. We urge the committee to pass this bill.

Thank you for the opportunity to submit our comments.

Sincerely,

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii