## A BILL FOR AN ACT

RELATING TO RURAL DISTRICTS.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that given the shortage 2 of housing in Hawaii, the counties should be permitted to 3 increase density in state-designated rural districts. Under 4 existing law, only one dwelling unit is permitted on one-half 5 acre--21,780 square feet--of land in a rural district. legislature further finds that giving counties the option of 6 adopting ordinances to allow dwellings on each quarter-acre will 7 8 increase housing opportunities where appropriate. Accordingly, the purpose of this Act is to: 9 10 Allow the counties to determine the appropriateness of (1) 11 allowing dwellings on each quarter-acre, rather than 12 half-acre, of lands in rural districts; provided that 13 the ordinances are consistent with the county general 14 plan and community development plan; Require the office of planning and sustainable 15 (2)

development to perform a study to refine rural

district policies and make recommendations to

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1	facilitate the reclassification of lands from the
2	agricultural district to the rural district; and
3	(3) Appropriate funds for the office of planning and
4	sustainable development to conduct the study.
5	SECTION 2. Section 205-2, Hawaii Revised Statutes, is
6	amended as follows:
7	1. By amending subsection (a) to read:
8	"(a) There shall be four major land use districts in which
9	all lands in the State shall be placed: urban, rural,
10	agricultural, and conservation. The land use commission shall
11	group contiguous land areas suitable for inclusion in one of
12	these four major districts. The commission shall set standards
13	for determining the boundaries of each district, provided that:
14	(1) In the establishment of boundaries of urban districts
15	those lands that are now in urban use and a sufficient
16	reserve area for foreseeable urban growth shall be
17	included;
18	(2) In the establishment of boundaries for rural
19	districts, areas of land composed primarily of small
20	farms mixed with very low density residential lots,
21	which may be shown by a minimum density of not more

1		than one house per [one-half] one-quarter acre and a	
2		minimum lot size of not less than one-half acre shall	
3		be included, except as herein provided;	
4	(3)	In the establishment of the boundaries of agricultural	
5		districts, the greatest possible protection shall be	
6		given to those lands with a high capacity for	
7		intensive cultivation; and	
8	(4)	In the establishment of the boundaries of conservation	
9		districts, the "forest and water reserve zones"	
10		provided in Act 234, section 2, Session Laws of Hawaii	
11		1957, are renamed "conservation districts" and,	
12		effective as of July 11, 1961, the boundaries of the	
13		forest and water reserve zones theretofore established	
14		pursuant to Act 234, section 2, Session Laws of Hawaii	
15		1957, shall constitute the boundaries of the	
16		conservation districts; provided that thereafter the	
17		power to determine the boundaries of the conservation	
18		districts shall be in the commission.	
19	In establ	ishing the boundaries of the districts in each county,	
20	the commi	ssion shall give consideration to the master plan or	
21	general plan of the county."		

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         2. By amending subsection (c) to read:
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         "(c) Rural districts shall include activities or uses as
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    characterized by low density residential lots of not more than
    one dwelling house per [one-half] one-quarter acre, except as
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    provided by county ordinance pursuant to section 46-4(c) [7] and
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    provided that each dwelling house shall be consistent with the
    county general plan and community development plans, in areas
    where "city-like" concentration of people, structures, streets,
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    and urban level of services are absent, and where small farms
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    are intermixed with low density residential lots except that
    within a subdivision, as defined in section 484-1, the
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    commission for good cause may allow one lot of less than
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    one-half acre, but not less than [eighteen thousand five hundred
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    square feet, one-quarter acre, or an equivalent residential
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    density, within a rural subdivision and permit the construction
    of one dwelling on [such] the lot; provided that all other
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    dwellings in the subdivision shall have a minimum lot size of
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    one-half acre or 21,780 square feet. [Such] The petition for
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    variance may be processed under the special permit procedure.
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    These districts may include contiguous areas [which] that are
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    not suited to low density residential lots or small farms by
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- 1 reason of topography, soils, and other related characteristics.
- 2 Rural districts shall also include golf courses, golf driving
- 3 ranges, and golf-related facilities.
- 4 In addition to the uses listed in this subsection, rural
- 5 districts shall include geothermal resources exploration and
- 6 qeothermal resources development, as defined under section
- 7 182-1, and construction and operation of wireless communication
- 8 antenna, as defined under section 205-4.5(a)(18), as permissible
- 9 uses."
- 10 SECTION 3. Section 205-5, Hawaii Revised Statutes, is
- 11 amended by amending subsection (c) to read as follows:
- "(c) Unless authorized by special permit issued pursuant
- 13 to this chapter, only the following uses shall be permitted
- 14 within rural districts:
- 15 (1) Low density residential uses;
- 16 (2) Agricultural uses;
- 17 (3) Golf courses, golf driving ranges, and golf-related
- 18 facilities;
- 19 (4) Public, quasi-public, and public utility facilities;
- **20** and

1	(5) Geothermal resources exploration and geothermal		
2	resources development, as defined under section 182-1		
3	In addition, the minimum lot size for any low density		
4	residential use shall be one-half acre and there shall be but		
5	one dwelling house per [one-half] one-quarter acre[-]; provided		
6	that each dwelling house shall be consistent with the county		
7	general plan and community development plan, except as provided		
8	for in section 205-2."		
9	SECTION 4. The office of planning and sustainable		
10	development shall perform a study to assess the rural district		
11	framework within the land use law and make recommendations for		
12	revisions to rural district policies and permissible uses within		
13	the rural district. The study shall include:		
14	(1) A legal analysis of regulatory issues and safeguards		
15	that must be addressed to facilitate the		
16	reclassification of lands from the agricultural		
17	district to the rural district; and		
18	(2) Recommendations for legislation that would be needed		
19	to address the issues and safeguards identified in		
20	paragraph (1).		

- 1 SECTION 5. In performing the study required by this Act,
- 2 the office of planning and sustainable development shall
- 3 coordinate its efforts with the land use commission, department
- 4 of agriculture, and county planning departments. The office of
- 5 planning and sustainable development shall engage community
- 6 stakeholders, including farming interests and interested members
- 7 of the general public, in the development of study
- 8 recommendations.
- 9 SECTION 6. The office of planning and sustainable
- 10 development shall submit:
- 11 (1) An interim report of its findings and recommendations,
- including any proposed legislation, to the legislature
- no later than twenty days prior to the convening of
- the regular session of 2023; and
- 15 (2) A final report of its findings and recommendations,
- including any proposed legislation, to the legislature
- 17 no later than twenty days prior to the convening of
- the regular session of 2024.
- 19 SECTION 7. There is appropriated out of the general
- 20 revenues of the State of Hawaii the sum of \$250,000 or so much
- 21 thereof as may be necessary for fiscal year 2022-2023 for the

- 1 office of planning and sustainable development to perform the
- 2 study and complete all required reports pursuant to this Act.
- 3 The sum appropriated shall be expended by the department of
- 4 business, economic development, and tourism for the purposes of
- 5 this Act.
- 6 SECTION 8. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 9. This Act shall take effect on July 1, 2022.

## Report Title:

Rural Districts; Dwellings; County Ordinances; Office of Planning and Sustainable Development; Land Use; Study; Appropriation

## Description:

Authorizes the counties to adopt ordinances that allow up to one dwelling per quarter-acre in rural districts. Requires the Office of Planning and Sustainable Development to perform a study to refine rural district policies and make recommendations to facilitate the reclassification of lands from the agricultural district to the rural district. Requires reports to the Legislature. Appropriates funds. (SD1)

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