A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1	SECTION 1. Article XI, section 3, of the state
2	constitution provides: "The State shall conserve and protect
3	agricultural lands, promote diversified agriculture, increase
4	agricultural self-sufficiency and assure the availability of
5	agriculturally suitable lands. The legislature shall provide
6	standards and criteria to accomplish the foregoing."
7	The purpose of this Act is to require approval by the
8	relevant county council by ordinance of an agricultural
9	subdivision or agricultural condominium on land located within
10	an agricultural district established pursuant to chapter 205,
11	Hawaii Revised Statutes. The legislature intends that
12	designating approval of the subdivision or condominium as a
13	discretionary legislative act confers upon a county council the
14	flexibility to determine whether the agricultural subdivision or
15	agricultural condominium is in the best interest of the county
16	before deciding whether to approve or reject an application.

1	SECTION 2. Chapter 46, Hawaii Revised Statutes, is amended
2	by adding a new section to part I to be appropriately designated
3	and to read as follows:
4	"§46- Agricultural subdivision and agricultural
5	condominium; requirement for county council approval. (a) For
6	the purpose of this section:
7	"Agricultural condominium" means a condominium property
8	regime on land, any part of which is located within an
9	agricultural district established pursuant to chapter 205.
10	"Agricultural subdivision" means a subdivision of land, any
11	part of which is located within an agricultural district
12	established pursuant to chapter 205.
13	(b) No building, grading, grubbing, stockpiling, or other
14	county permit shall be issued for a structure or improvement in
15	or for an agricultural subdivision or agricultural condominium
16	prior to approval by the applicable county council of the
17	agricultural subdivision or agricultural condominium. The
18	approval shall be expressed by ordinance and shall be deemed a
19	discretionary legislative act. As part of the ordinance, the
20	county council may include any term or condition deemed
21	necessary to ensure that:

1	(1)	The operation of agricultural activity on each lot or
2		unit created, other than for roadway or utility
·3		purposes, is economically viable; and
4	(2)	The subdivider, condominium developer, or lot or unit
5		owners or occupants are in compliance with chapter 205
6		and any other applicable law or ordinance.
7	<u>(c)</u>	The county council may establish provisions by
8	ordinance	with respect to the application for, processing of,
9	and action	on a proposed agricultural subdivision or
10	agricultur	ral condominium. The provisions may include prior
11	review of	the application by the county planning commission."
12	SECTI	ON 3. Section 205-4.5, Hawaii Revised Statutes, is
13	amended to	read as follows:
14	"§205	5-4.5 Permissible uses within the agricultural
15	districts.	(a) Within the agricultural district, all lands
16	with soil	classified by the land study bureau's detailed land
17	classifica	tion as overall (master) productivity rating class A
18	or B shall	be restricted to the following permitted uses:
19	(1)	Cultivation of crops, including crops for bioenergy,
20		flowers, vegetables, foliage, fruits, forage, and
21		timber;
22	(2)	Game and fish propagation;
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- 1 (3) Raising of livestock, including poultry, bees, fish,
 2 or other animal or aquatic life that are propagated
 3 for economic or personal use;
 4 (4) Farm dwellings, employee housing, farm buildings, or
- (4)Farm dwellings, employee housing, farm buildings, or 5 activities or uses related to farming and animal 6 husbandry. "Farm dwelling", as used in this 7 paragraph, means a single-family dwelling located on and used in connection with a farm, including clusters 8 of single-family farm dwellings permitted within 9 10 agricultural parks developed by the State, or where agricultural activity provides income to the family 11 12 occupying the dwelling;
 - (5) Public institutions and buildings that are necessary for agricultural practices;
 - (6) Public and private open area types of recreational uses, including day camps, picnic grounds, parks, and riding stables, but not including dragstrips, airports, drive-in theaters, golf courses, golf driving ranges, country clubs, and overnight camps;
 - (7) Public, private, and quasi-public utility lines and roadways, transformer stations, communications equipment buildings, solid waste transfer stations,



1		major water storage tanks, and appurtenant small
2		buildings such as booster pumping stations, but not
3		including offices or yards for equipment, material,
4		vehicle storage, repair or maintenance, treatment
5		plants, corporation yards, or other similar
6		structures;
7	(8)	Retention, restoration, rehabilitation, or improvemen
8		of buildings or sites of historic or scenic interest;
9	(9)	Agricultural-based commercial operations as described
10		in section [f]205-2(d)(15)[f];
11	(10)	Buildings and uses, including mills, storage, and
12		processing facilities, maintenance facilities,
13		photovoltaic, biogas, and other small-scale renewable
14		energy systems producing energy solely for use in the
15		agricultural activities of the fee or leasehold owner
16		of the property, and vehicle and equipment storage
17		areas that are normally considered directly accessory
18		to the above-mentioned uses and are permitted under
19		section 205-2(d);
20	(11)	Agricultural parks;
21	(12)	Plantation community subdivisions, which as used in
. 22		this chapter means an established subdivision or

1		cluster of employee housing, community buildings, and
2		agricultural support buildings on land currently or
3		formerly owned, leased, or operated by a sugar or
4		pineapple plantation; provided that the existing
5		structures may be used or rehabilitated for use, and
6		new employee housing and agricultural support
7		buildings may be allowed on land within the
8		subdivision as follows:
9		(A) The employee housing is occupied by employees or
10		former employees of the plantation who have a
11		property interest in the land;
12		(B) The employee housing units not owned by their
13		occupants shall be rented or leased at affordable
14		rates for agricultural workers; or
15		(C) The agricultural support buildings shall be
16		rented or leased to agricultural business
17		operators or agricultural support services;
18	(13)	Agricultural tourism conducted on a working farm, or a
19		farming operation as defined in section 165-2, for the
20		enjoyment, education, or involvement of visitors;
21		provided that the agricultural tourism activity is
22		accessory and secondary to the principal agricultural

1		use and does not interfere with surrounding farm
2		operations; and provided further that this paragraph
3		shall apply only to a county that has adopted
4		ordinances regulating agricultural tourism under
5		section 205-5;
6	(14)	Agricultural tourism activities, including overnight
7		accommodations of twenty-one days or less, for any one
8		stay within a county; provided that this paragraph
9		shall apply only to a county that includes at least
10		three islands and has adopted ordinances regulating
11		agricultural tourism activities pursuant to section
12		205-5; provided further that the agricultural tourism
13		activities coexist with a bona fide agricultural
14		activity. For the purposes of this paragraph, "bona
15		fide agricultural activity" means a farming operation
16		as defined in section 165-2;
17	(15)	Wind energy facilities, including the appurtenances
18		associated with the production and transmission of
19		wind generated energy; provided that the wind energy
20		facilities and appurtenances are compatible with
21		agriculture uses and cause minimal adverse impact on
22		agricultural land;

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1 Biofuel processing facilities, including the (16)2 appurtenances associated with the production and refining of biofuels that [is] are normally considered 3 4 directly accessory and secondary to the growing of the energy feedstock; provided that biofuel processing 5 6 facilities and appurtenances do not adversely impact 7 agricultural land and other agricultural uses in the 8 vicinity.

For the purposes of this paragraph:

"Appurtenances" means operational infrastructure of the appropriate type and scale for economic commercial storage and distribution, and other similar handling of feedstock, fuels, and other products of biofuel processing facilities.

"Biofuel processing facility" means a facility
that produces liquid or gaseous fuels from organic
sources such as biomass crops, agricultural residues,
and oil crops, including palm, canola, soybean, and
waste cooking oils; grease; food wastes; and animal
residues and wastes that can be used to generate
energy;

1	(17)	Agricultural-energy facilities, including
2		appurtenances necessary for an agricultural-energy
3		enterprise; provided that the primary activity of the
4		agricultural-energy enterprise is agricultural
5		activity. To be considered the primary activity of an
6		agricultural-energy enterprise, the total acreage
7		devoted to agricultural activity shall be not less
8		than ninety per cent of the total acreage of the
9		agricultural-energy enterprise. The agricultural-
10		energy facility shall be limited to lands owned,
11		leased, licensed, or operated by the entity conducting
12		the agricultural activity.
13		As used in this paragraph:
14		"Agricultural activity" means any activity
15		described in paragraphs (1) to (3) of this subsection.
16		"Agricultural-energy enterprise" means an
17		enterprise that integrally incorporates an
18		agricultural activity with an agricultural-energy
19		facility.
20		"Agricultural-energy facility" means a facility
21		that generates, stores, or distributes renewable

energy as defined in section 269-91 or renewable fuel

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1		including electrical or thermal energy or liquid or
2		gaseous fuels from products of agricultural activities
3		from agricultural lands located in the State.
4		"Appurtenances" means operational infrastructure
5		of the appropriate type and scale for the economic
6		commercial generation, storage, distribution, and
7		other similar handling of energy, including equipment,
8		feedstock, fuels, and other products of agricultural-
9		energy facilities;
10	(18)	Construction and operation of wireless communication
11		antennas; provided that, for the purposes of this
12		paragraph, "wireless communication antenna" means
13		communications equipment that is either freestanding
14		or placed upon or attached to an already existing
15		structure and that transmits and receives
16		electromagnetic radio signals used in the provision of
17		all types of wireless communications services;
18		provided further that nothing in this paragraph shall
19 ·		be construed to permit the construction of any new
20		structure that is not deemed a permitted use under
21		this subsection;

1	(19)	Agricultural education programs conducted on a farming
2		operation as defined in section 165-2, for the
3		education and participation of the general public;
4		provided that the agricultural education programs are
5		accessory and secondary to the principal agricultural
6		use of the parcels or lots on which the agricultural
7		education programs are to occur and do not interfere
8		with surrounding farm operations. For the purposes of
9		this section, "agricultural education programs" means
10		activities or events designed to promote knowledge and
11		understanding of agricultural activities and practices
12		conducted on a farming operation as defined in section
13		165-2;
14	(20)	Solar energy facilities that do not occupy more than
15		ten per cent of the acreage of the parcel, or twenty
16		acres of land, whichever is lesser; provided that this
17		use shall not be permitted on lands with soil
18		classified by the land study bureau's detailed land
19		classification as overall (master) productivity rating
20		class A; or
21	[+](21)[-]] Geothermal resources exploration and geothermal
22		resources development, as defined under section 182-1.

- 1 Uses not expressly permitted in subsection (a) shall 2 be prohibited, except the uses permitted as provided in sections 3 205-6 and 205-8, and construction of single-family dwellings on 4 lots existing before June 4, 1976. Any other law to the contrary notwithstanding, no subdivision of land within the 5 6 agricultural district with soil classified by the land study 7 bureau's detailed land classification as overall (master) 8 productivity rating class A or B shall be approved by a county 9 unless those A and B lands within the subdivision are made 10 subject to the restriction on uses as prescribed in this section 11 and to the condition that the uses shall be primarily in pursuit 12 of an agricultural activity. Any deed, lease, agreement of sale, mortgage, or other 13 instrument of conveyance covering any land within the 14 15 agricultural subdivision shall expressly contain the restriction 16 on uses and the condition, as prescribed in this section that these restrictions and conditions shall be encumbrances running 17 with the land until such time that the land is reclassified to a 18 19 land use district other than agricultural district. 20 If the foregoing requirement of encumbrances running with
 - financing from any of the mortgage lending agencies set forth in

the land jeopardizes the owner or lessee in obtaining mortgage



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- 1 the following paragraph, and the requirement is the sole reason
- 2 for failure to obtain mortgage financing, then the requirement
- 3 of encumbrances shall, insofar as such mortgage financing is
- 4 jeopardized, be conditionally waived by the appropriate county
- 5 enforcement officer; provided that the conditional waiver shall
- 6 become effective only in the event that the property is
- 7 subjected to foreclosure proceedings by the mortgage lender.
- 8 The mortgage lending agencies referred to in the preceding
- 9 paragraph are the Federal Housing Administration, Federal
- 10 National Mortgage Association, Veterans Administration, Small
- 11 Business Administration, United States Department of
- 12 Agriculture, Federal Land Bank of Berkeley, Federal Intermediate
- 13 Credit Bank of Berkeley, Berkeley Bank for Cooperatives, and any
- 14 other federal, state, or private mortgage lending agency
- 15 qualified to do business in Hawaii, and their respective
- 16 successors and assigns.
- 17 (c) Within the agricultural district, all lands with soil
- 18 classified by the land study bureau's detailed land
- 19 classification as overall (master) productivity rating class C,
- 20 D, E, or U shall be restricted to the uses permitted for
- 21 agricultural districts as set forth in section 205-5(b).



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          (d)
             Notwithstanding any other provision of this chapter to
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    the contrary, golf courses and golf driving ranges approved by a
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    county before July 1, 2005, for development within the
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    agricultural district shall be permitted uses within the
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    agricultural district.
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              Notwithstanding any other provision of this chapter to
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    the contrary, plantation community subdivisions as defined in
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    this section shall be permitted uses within the agricultural
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    district, and section 205-8 shall not apply.
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         [+](f)[+] Notwithstanding any other law to the contrary,
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    agricultural lands may be subdivided and leased for the
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    agricultural uses or activities permitted in subsection (a);
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    provided that:
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         (1)
              The principal use of the leased land is agriculture;
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         (2)
              No permanent or temporary dwellings or farm dwellings,
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              including trailers and campers, are constructed on the
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              leased area. This restriction shall not prohibit the
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              construction of storage sheds, equipment sheds, or
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              other structures appropriate to the agricultural
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              activity carried on within the lot; and
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         (3)
              The lease term for a subdivided lot shall be for at
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              least as long as the greater of:
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                   The minimum real property tax agricultural
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                   dedication period of the county in which the
                   subdivided lot is located; or
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              (B) Five years.
    Lots created and leased pursuant to this section shall be legal
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    lots of record for mortgage lending purposes and shall be exempt
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    from county subdivision standards.
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              Each unit of a condominium property regime in an
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    agricultural district shall comply with the minimum size, farm
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    dwelling restrictions, agricultural activity requirements, and
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    other terms and conditions applicable to a subdivided lot on
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    that agricultural land."
         SECTION 4. Section 514B-5, Hawaii Revised Statutes, is
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    amended to read as follows:
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         "[+]$514B-5[+] Conformance with county land use laws. Any
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    condominium property regime established under this chapter shall
    conform to the existing underlying county zoning for the
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    property and all applicable county permitting requirements
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    adopted by the county in which the property is located,
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    including any terms and conditions adopted pursuant to section
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    46- and any supplemental rules adopted by the county,
    pursuant to section 514B-6, to ensure the conformance of
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    HB LRB 13-0182-1.doc
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    condominium property regimes to the purposes and provisions of
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    county zoning and development ordinances and chapter 205.
    the case of a property [which] that includes one or more
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    existing structures being converted to condominium status, the
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    condominium property regime shall comply with section
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    514B-32(a)(13) or 514B-84(a)."
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         SECTION 5. Section 514B-31, Hawaii Revised Statutes, is
    amended by amending its title and subsection (a) to read as
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    follows:
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         "[+]$514B-31[+] Creation[-]; agricultural district. (a)
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    To create a condominium property regime, all of the owners of
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    the fee simple interest in land shall execute and record a
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    declaration submitting the land to the condominium property
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    regime. If the condominium property regime is on land, any part
    of which is located within an agricultural district established
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16
    pursuant to chapter 205, the declaration shall not be recorded
    until after the condominium property regime has been approved by
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    the applicable county council pursuant to section 46- . Upon
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    recordation of the master deed together with a declaration, the
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    condominium property regime shall be deemed created."
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         SECTION 6. This Act shall not apply to:
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H.B. NO. 630

1	(1)	Any application for the subdivision of land within the
2		state agricultural district that is pending before, or
3		was approved by, a county on June 30, 2013; and

(2) Any declaration of a condominium property regime recorded before June 30, 2013.

6 SECTION 7. Statutory material to be repealed is bracketed 7 and stricken. New statutory material is underscored.

8 SECTION 8. This Act shall take effect upon its approval.

INTRODUCED BY:

XC/C

Linda Delingon

JAN 1 8 2013

Report Title:

Agriculture; Subdivision; Condominium

Description:

Requires an agricultural subdivision or agricultural condominium in an agricultural district to be approved by the relevant county council by ordinance.

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