

OFFICE OF PLANNING STATE OF HAWAII

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Statement of LEO R. ASUNCION

Director, Office of Planning before the SENATE COMMITTEE ON WATER, LAND, AND AGRICULTURE Wednesday, February 3, 2016 2:45 PM State Capitol, Conference Room 224

in consideration of SB 2351 RELATING TO AGRICULTURAL LAND.

Chair Gabbard, Vice Chair Nishihara, and Members of the Senate Committee on Water, Land, and Agriculture.

The Office of Planning (OP) has comments and concerns with SB 2351 in its current form. SB 2351 would amend Hawaii Revised Statutes (HRS) § 514B-31 to prohibit the creation of a condominum property regime (CPR) on any parcel of agricultural land consisting of 25 or more acres.

OP fully supports the intent of discouraging the fragmentation and conversion of Hawaii's agricultural lands. However, we are concerned that prohibiting the use of CPRs on agricultural land would preclude the use of this mechanism by bona fide farmers, farm cooperatives, or other farm entities to provide farmer/lessees access to agricultural land.

We offer the following comments regarding this proposal. Provisions in HRS Chapter 514B, such as § 514B-5, require conformance of CPRs with county land use laws. Should the Committee feel that additional measures are needed to discourage non-agricultural use of CPRs, SB 2351 could be amended to clarify that CPRs are prohibited on property 25 acres or more

unless non-farm residential use or residential use are prohibited in the declaration required to create a CPR (see HRS § 514B-32(a), specifically § 514B-32(a)(6)). The bill is also unclear as to whether "agricultural lands" are lands in the State Agricultural Land Use District and/or those zoned by the counties as "Agriculture/Agricultural" under county zoning ordinances.

Thank you for the opportunity to testify on this measure.



SENATE COMMITTEE ON WATER, LAND & AGRICULTURE SENATOR MIKE GABBARD, CHAIR SENATOR CLARENCE K. NISHIHARA

DATE: Wednesday, February 3, 2016 TIME: 2:45 PM PLACE: Conference Room 224



Prohibits the creation of a condominium property regime on agricultural land 25 acres or greater. Prohibits the subdivision of agricultural land 25 acres or greater for the purpose of creating a condominium property regime.

Chair Gabbard, Vice Chair Nishihara, and Members of the Committee:

My name is Dale Sandlin, and I am Managing Director of the Hawaii Cattlemen's Council. The Hawaii Cattlemen's Council, Inc. (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our 140+ member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of approximately 25% of the State's total land mass.

The Hawaii Cattlemen's Council <u>strongly opposes</u> SB 2351 as this is unfair to land owners with large TMK's.

While limiting the size of the land to 25 acres or more, this measure would not allow for the equitable division of land in the case of a large parcel split among several heirs. Although this might not affect the smaller parcels in the state, it does hinder the rights and privileges of large landowners unfairly.

Also, the infrastructure that is needed to service the rural areas of the state could be provided more efficiently as a larger lot could be split into several smaller portions. By centralizing the infrastructure needed to serve the split, this would require fewer resources to complete.

If this measure is passed, the cost to purchase or lease smaller parcels of land for ag use is likely to escalate. With the cost of the land being one of the highest inputs for farmers and ranchers, this could cripple the profitability of the farm or ranch. Having more options for farmers and ranchers through being able to include large TMK's for consideration in a CPR, would yield for a more sustainable future for both the farmer or rancher and the state's food sustainability.

We respectfully ask this committee to oppose SB 2351 in it's current format.

Thank you for giving us the opportunity to testify on this important matter.



From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 03, 2016 5:41 AM
То:	WLA Testimony
Cc:	gottlieb@hawaii.rr.com
Subject:	Submitted testimony for SB2351 on Feb 3, 2016 14:45PM



SB2351

Submitted on: 2/3/2016 Testimony for WLA on Feb 3, 2016 14:45PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Gottlieb	Ponoholo Ranch Limited	Oppose	No

Comments: We strongly oppose this measure which unfairly targets landowners with large TMKs. We all want to eliminate or control Gentlemen Farms, but this is not the way to accomplish that. To eliminate Gentlemen farms we need the State and Counties to enforce current zoning laws, and we need the Counties to designate incentives under the Important Ag Land (IAL)laws. The way IAL will work is to Incentivize landowners to keep their land in ag. Don't penalize them.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 03, 2016 7:01 AM
То:	WLA Testimony
Cc:	jsgreenwell@lanihau.net
Subject:	Submitted testimony for SB2351 on Feb 3, 2016 14:45PM

SB2351

Categories:

Submitted on: 2/3/2016 Testimony for WLA on Feb 3, 2016 14:45PM in Conference Room 224

Blue Category

Submitted By	Organization	Testifier Position	Present at Hearing
James S, Greenwell	Individual	Oppose	No

IA

Comments: This bill would unnecessarily restrict or impede a land asset manager from the vital ability to reshape his land ownership configuration, whether for estate, financing, leasing or other purposes, many of which purposes in fact are SUPPORTIVE of making more land available for agriculture. If this proposal is aimed at curbing "fake farming" and real property tax abuses of that system, then lets say so and address that problem straight up because it does need attention. Creating a Task Force including farmers, ranchers, and land owners to come up with solutions to that problem would be a sensible next step. Thank you

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 03, 2016 5:12 AM
То:	WLA Testimony
Cc:	chris@ponoholo.com
Subject:	*Submitted testimony for SB2351 on Feb 3, 2016 14:45PM*



SB2351

Submitted on: 2/3/2016 Testimony for WLA on Feb 3, 2016 14:45PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Christopher English	Individual	Oppose	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov		
Sent:	Wednesday, February 03, 2016 9:24 AM		
То:	WLA Testimony		
Cc:	john@metzlercontracting.com		
Subject:	Submitted testimony for SB2351 on Feb 3, 2016 14:45PM		



SB2351

Submitted on: 2/3/2016 Testimony for WLA on Feb 3, 2016 14:45PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
John Metzler	Mahukona Ranch LLC	Oppose	No

Comments: Our family and it's agricultural business strongly opposes SB 2351 as this is unfair to land owners with more than 25 acres in land holdings. While limiting the size of the land to 25 acres or more, this measure would not allow for the equitable division of land in the case of a large parcel split among several heirs. If this measure is passed, the cost to purchase or lease smaller parcels of land for ag use is likely to escalate. With the cost of the land being one of the highest hurdles for farmers and ranchers, this could cripple the profitability of the farm or ranch. Having more options for farmers and ranchers through being able to include large TMK's for consideration in a CPR, would yield for a more sustainable future for both the farmer or rancher and the state's food sustainability. We respectfully ask this committee to oppose SB 2351 in it's current format.

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