A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. The legislature finds that Hawaii is facing a

2 crisis in homelessness and the lack of affordable housing.

3 Furthermore, the proportion of food that is imported into the

4 State is undesirably high, and producing more food locally could

5 benefit the State.

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6 The increased use of agricultural land for housing is often

7 perceived to conflict with the goal of increasing local food

production. This scenario may be true for important and more

9 productive agricultural land with soils classified by the land

10 study bureau's detailed land classification as overall

11 productivity rating class A or B. However, given Hawaii's

12 housing crisis, the increased use of less agriculturally

13 productive class C, D, and E land demands to be reevaluated.

14 While it has been proposed that the reclassification of

lands from agricultural to rural might be one solution, this

16 proposal has had only limited success and could potentially open

17 a Pandora's box to other land uses. There is a desire to retain

- 1 the rural character of larger lots and green vistas, but the
- 2 increase in development density that is allowable under the
- 3 rural classification, such as the creation of half-acre lots,
- 4 may be undesirable.
- 5 Increasing housing density without decreasing the minimum
- 6 agricultural lot size may be a solution that will increase the
- 7 availability of affordable housing while retaining the rural
- 8 character that Hawaii so highly values.
- 9 The cost of purchasing land, even marginal agricultural
- 10 land, is quite high in the State. The per-acre cost of making
- 11 that land usable for agriculture may often be even higher. For
- 12 example, land that had been used for pasture may have been
- 13 invaded and taken over by the highly invasive tree known as
- 14 Christmas berry, or Schinus terebinthifolius. These trees may
- 15 need to be removed by the expensive use of heavy machinery, with
- 16 the soil pushed aside, the underlying rock ripped, the ripped
- 17 rock regraded, and the previously removed soil regraded.
- 18 The lack of agricultural income and the cost to purchase
- 19 land and construct a house usually mandate employment of the
- 20 owner off the farm. However, if attempts are made to engage in
- 21 even minimal agriculture, the absence from the farm makes the

- 1 farm susceptible to theft of agricultural produce, equipment, or
- 2 household goods, or simply vandalism.
- 3 Allowing more housing on less-important agricultural land
- 4 has many benefits. First, the construction of on-farm housing
- 5 will provide construction jobs. The purchase of construction
- 6 materials and tools and the furnishing of the house will result
- 7 in greatly increased local business transactions. These
- 8 transactions will produce higher excise and income tax revenue
- 9 for the State. Second, income to the farm owner from the
- 10 housing, if rented, will result in a substantial increase in the
- 11 farmer's state income tax and provide revenue to the State. The
- 12 rise in the value of the property due to the additional housing
- 13 units will result in substantially increased property taxes to
- 14 the applicable county. If some of these units are rented for
- 15 short-term agricultural tourism, there would be a significant
- 16 increase in transient accommodations tax revenue.
- 17 Benefits to farm owners are also numerous and include the
- 18 availability of more individuals on the farm, which could
- 19 increase the availability of part-time farm labor assistance.
- 20 The security of the farm will also be enhanced by the presence
- 21 of more individuals on-site. In addition, if the rental unit

- 1 income is used to improve the agricultural characteristics of
- 2 the land, its agricultural productivity will be increased.
- 3 Making arable land available to occupants of each rented housing
- 4 unit to use for a garden, orchard, or for animal husbandry,
- 5 could provide on-farm food for those occupants. The increased
- 6 availability of labor could facilitate the marketing of
- 7 agricultural produce through an on-farm fruit and vegetable
- 8 stand, which could also sell value-added products produced as a
- 9 result of the increased agricultural activity. This more
- 10 productive use of agricultural land and the potentially
- 11 available labor could allow for building and operating the
- 12 recently allowed activity of on-farm restaurants.
- 13 The number of additional dwelling units could be
- 14 proportional to the acreage, with the upper limit of five
- 15 dwelling units authorized on agricultural lots larger than ten
- 16 acres. If maintaining rural vistas is paramount, then
- 17 horticultural border plantings such as bamboo can maintain these
- 18 scenic vistas along roadways while also providing privacy for
- 19 the farm occupants.
- The use of water catchments, solar power, battery power
- 21 walls, wireless internet connections, and environmentally and

H.B. NO. H.D. 2

- 1 agriculturally friendly composting waste water systems would
- 2 make infrastructure requirements minimal. Given the limited on-
- 3 farm traffic, paved driveway surfaces that could result in
- 4 possible drainage problems would be discouraged, while grass,
- 5 gravel, or water-permeable paving would be encouraged.
- 6 Because there would not be increased land costs, except
- 7 minimal costs for site preparation, the cost of dwelling units,
- 8 if simply constructed, could be kept to under \$100 per square
- 9 foot. Kit-type dwelling units with efficient pre-cut lumber,
- 10 sheet siding of cement-based panels, and metal roofing to
- 11 facilitate water catchment, could allow efficient cost control.
- 12 Many successful examples of a comprehensive approach to
- 13 farm housing exist. On another island, Ireland, agriculture has
- 14 been supported and enhanced by the on-farm presence of thousands
- 15 of bed-and-breakfast accommodations and farm-stay units.
- 16 Agricultural tourism and agricultural activity have been
- 17 productively integrated and enhanced.
- 18 The purpose of this Act is to allow for increased housing
- 19 capacity on non-prime agricultural lands.
- 20 SECTION 2. Section 205-2, Hawaii Revised Statutes, is
- 21 amended by amending subsection (d) to read as follows:

1	" (d) ·	Agricultural districts shall include:
2	(1)	Activities or uses as characterized by the cultivation
3		of crops, crops for bioenergy, orchards, forage, and
4		forestry;
5	(2)	Farming activities or uses related to animal husbandry
6		and game and fish propagation;
7	(3)	Aquaculture, which means the production of aquatic
8		plant and animal life within ponds and other bodies of
9		water;
10	(4)	Wind generated energy production for public, private,
11		and commercial use;
12	(5)	Biofuel production, as described in section
13		205-4.5(a)(16), for public, private, and commercial
14		use;
15	(6)	Solar energy facilities; provided that:
16		(A) This paragraph shall apply only to land with soil
17		classified by the land study bureau's detailed
18		land classification as overall (master)
19		productivity rating class B, C, D, or E; and
20		(B) Solar energy facilities placed within land with
21		soil classified as overall productivity rating

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H.B. NO. 778 H.D. 2

class B or C shall not occupy more than ten per

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2		cent of the acreage of the parcel, or twenty
3		acres of land, whichever is lesser, unless a
4		special use permit is granted pursuant to section
5		205-6;
6	(7)	Bona fide agricultural services and uses that support
7		the agricultural activities of the fee or leasehold
8		owner of the property and accessory to any of the
9		above activities, regardless of whether conducted on
10		the same premises as the agricultural activities to
11		which they are accessory, including farm dwellings as
12		defined in section 205-4.5(a)(4), employee housing,
13		farm buildings, mills, storage facilities, processing
14		facilities, photovoltaic, biogas, and other small-
15		scale renewable energy systems producing energy solely
16		for use in the agricultural activities of the fee or

vehicle and equipment storage areas, and plantation

facilities as defined in section 205-4.5(a)(17),

leasehold owner of the property, agricultural-energy

community subdivisions as defined in section $% \left(\frac{1}{2}\right) =\frac{1}{2}\left(\frac{1}{2}\right) =\frac{1}{2}\left($

21 205-4.5(a) (12);

1	(8)	Wind machines and wind farms;
2	(9)	Small-scale meteorological, air quality, noise, and
3		other scientific and environmental data collection and
4		monitoring facilities occupying less than one-half
5		acre of land; provided that these facilities shall not
6		be used as or equipped for use as living quarters or
7		dwellings;
8	(10)	Agricultural parks;
9	(11)	Agricultural tourism conducted on a working farm, or a
10		farming operation as defined in section 165-2, for the
11		enjoyment, education, or involvement of visitors;
12		provided that the agricultural tourism activity is
13		accessory and secondary to the principal agricultural
14		use and does not interfere with surrounding farm
15		operations; and provided further that this paragraph
16		shall apply only to a county that has adopted
17		ordinances regulating agricultural tourism under
18		section 205-5;
19	(12)	Agricultural tourism activities, including overnight
20		accommodations of twenty-one days or less, for any one

stay within a county; provided that this paragraph

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1		shall apply only to a county that includes at least
2		three islands and has adopted ordinances regulating
3		agricultural tourism activities pursuant to section
4		205-5; provided further that the agricultural tourism
5		activities coexist with a bona fide agricultural
6		activity. For the purposes of this paragraph, "bona
7		fide agricultural activity" means a farming operation
8		as defined in section 165-2;
9	(13)	Open area recreational facilities;
10	(14)	Geothermal resources exploration and geothermal
11		resources development, as defined under section 182-1;
12	(15)	Agricultural-based commercial operations, including:
13		(A) A roadside stand that is not an enclosed
14		structure, owned and operated by a producer for
15		the display and sale of agricultural products
16		grown in Hawaii and value-added products that
17		were produced using agricultural products grown
18		in Hawaii;
19		(B) Retail activities in an enclosed structure owned
20		and operated by a producer for the display and
21		sale of agricultural products grown in Hawaii,

1		value-added products that were produced using
2		agricultural products grown in Hawaii, logo items
3		related to the producer's agricultural
4		operations, and other food items; and
5		(C) A retail food establishment owned and operated by
6		a producer and permitted under title 11, chapter
7		12 of the rules of the department of health that
8		prepares and serves food at retail using products
9		grown in Hawaii and value-added products that
10		were produced using agricultural products grown
11		in Hawaii.
12		The owner of an agricultural-based commercial
13		operation shall certify, upon request of an officer or
14		agent charged with enforcement of this chapter under
15		section 205-12, that the agricultural products
16		displayed or sold by the operation meet the
17		requirements of this paragraph; [and]
18	(16)	Hydroelectric facilities as described in section
19		205-4.5(a)(23)[-]; and
20	(17)	Multiple dwelling units on privately owned
21		agricultural lots with soils classified by the land

1	stud	y bureau's detailed land classification as overall
2	(mas	ter) productivity rating class C, D, or E;
3	prov	ided that dwelling units authorized pursuant to
4	this	paragraph shall not be required to be accessory
5	or a	ppurtenant to agricultural activities; provided
6	furt	her that the number of dwelling units per lot
7	shal	l be limited as follows:
8	(A)	Not more than two dwelling units on a lot that is
9		equal to or greater than one acre, but less than
10		three acres;
11	<u>(B)</u>	Not more than three dwelling units on a lot that
12		is equal to or greater than three acres, but less
13		than five acres;
14	<u>(C)</u>	Not more than four dwelling units on a lot that
15		is equal to or greater than five acres, but less
16		than ten acres; and
17	(D)	Not more than five dwelling units on a lot that
18		is equal to or greater than ten acres;
19	prov	ided further that this paragraph does not
20	auth	orize dwelling units on important agricultural
21	land	s or land with soils classified by the land study

1	bureau's detailed land classification as overall
2	(master) productivity rating class A or B, in excess
3	of those authorized pursuant to section 205-4.5; and
4	provided further that notwithstanding any other law to
5	the contrary, any county may prohibit such dwelling
6	units or may limit such dwelling units to certain
7	areas of the county.
8	As used in this paragraph, "dwelling unit" means a
9	structure or portion thereof used exclusively for
10	residential occupancy and having all necessary
11	facilities for permanent residency, including
12	facilities for cooking, eating, living, sanitation,
13	and sleeping.
14	Agricultural districts shall not include golf courses and golf
15	driving ranges, except as provided in section 205-4.5(d).
16	Agricultural districts include areas that are not used for, or
17	that are not suited to, agricultural and ancillary activities by
18	reason of topography, soils, and other related characteristics."
19	SECTION 3. Statutory material to be repealed is bracketed
20	and stricken. New statutory material is underscored.
21	SECTION 4. This Act shall take effect on July 31, 2150.

Report Title:

Agricultural Land; Dwelling Units; Authorized

Description:

Authorizes dwelling units on privately owned agricultural land with soils of overall productivity rating classes C, D, or E, subject to certain conditions. Allows the counties to prohibit such dwelling units or to limit such dwelling units to certain areas of the county. (HB778 HD2)

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