# A BILL FOR AN ACT

RELATING TO COUNTY LAND USE REQUIREMENTS.

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

- 1 SECTION 1. The purpose of this Act is to clarify certain
- 2 requirements for condominium property regimes on agricultural
- 3 lands in a county with a population of seven hundred fifty
- 4 thousand or more, including:
- 5 (1) For purposes of planned community associations,
- 6 requiring the owner of any parcel of land subdivided
- 7 as a condominium property regime in agricultural or
- 8 preservation lands to provide public notice of the
- 9 sale no later than ninety days after the sale of the
- 10 parcel; and
- 11 (2) Providing an option for county participation in the
- 12 approval of certain major agricultural condominium
- 13 property regimes.
- 14 SECTION 2. Chapter 421J, Hawaii Revised Statutes, is
- 15 amended by adding a new section to be appropriately designated
- 16 and to read as follows:
- 17 Proposed land sale; agricultural and
- preservation lands; public notice. If any parcel of land is 18



- 1 subdivided as a condominium property regime in agricultural or
- 2 preservation lands within a county with a population of seven
- 3 hundred fifty thousand or more, the owner of the parcel shall
- 4 provide public notification of the sale no later than ninety
- 5 days after the sale of the parcel."
- 6 SECTION 3. Section 205-4.5, Hawaii Revised Statutes, is
- 7 amended to read as follows:
- 8 "§205-4.5 Permissible uses within the agricultural
- 9 districts. (a) Within the agricultural district, all lands
- 10 with soil classified by the land study bureau's detailed land
- 11 classification as overall (master) productivity rating class A
- 12 or B and for solar energy facilities, class B or C, shall be
- 13 restricted to the following permitted uses:
- 14 (1) Cultivation of crops, including crops for bioenergy,
- flowers, vegetables, foliage, fruits, forage, and
- 16 timber;
- 17 (2) Game and fish propagation;
- 18 (3) Raising of livestock, including poultry, bees, fish,
- or other animal or aquatic life that are propagated
- for economic or personal use;

1	(4)	Farm dwellings, employee housing, farm buildings, or
2		activities or uses related to farming and animal
3		husbandry. "Farm dwelling", as used in this
4		paragraph, means a single-family dwelling located on
5		and used in connection with a farm, including clusters
6		of single-family farm dwellings permitted within
7		agricultural parks developed by the State, or where
8		agricultural activity provides income to the family
9		occupying the dwelling;
10	(5)	Public institutions and buildings that are necessary
11		for agricultural practices;
12	(6)	Public and private open area types of recreational
13		uses, including day camps, picnic grounds, parks, and
14		riding stables, but not including dragstrips,
15		airports, drive-in theaters, golf courses, golf
16		driving ranges, country clubs, and overnight camps;
17	(7)	Public, private, and quasi-public utility lines and
18		roadways, transformer stations, communications
19		equipment buildings, solid waste transfer stations,

major water storage tanks, and appurtenant small

buildings such as booster pumping stations, but not

20

1		including offices or yards for equipment, material,
2		vehicle storage, repair or maintenance, treatment
3		plants, corporation yards, or other similar
4		structures;
5	(8)	Retention, restoration, rehabilitation, or improvement
6		of buildings or sites of historic or scenic interest;
7	(9)	Agricultural-based commercial operations as described
8		in section 205-2(d)(15);
9	(10)	Buildings and uses, including mills, storage, and
10		processing facilities, maintenance facilities,
11		photovoltaic, biogas, and other small-scale renewable
12		energy systems producing energy solely for use in the
13		agricultural activities of the fee or leasehold owner
14		of the property, and vehicle and equipment storage
15		areas that are normally considered directly accessory
16		to the above-mentioned uses and are permitted under
17		section 205-2(d);
18	(11)	Agricultural parks;
19	(12)	Plantation community subdivisions, which as used in
20		this chapter means an established subdivision or
21		cluster of employee housing, community buildings, and

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

facilities and appurtenances are compatible with

### S.B. NO. 2524 S.D. 1 H.D. 1

1		agriculture uses and cause minimal adverse impact on
2		agricultural land;
3	(16)	Biofuel processing facilities, including the
4		appurtenances associated with the production and
5		refining of biofuels that is normally considered
6		directly accessory and secondary to the growing of the
7		energy feedstock; provided that biofuel processing
8		facilities and appurtenances do not adversely impact
9		agricultural land and other agricultural uses in the
10		vicinity.
11		For the purposes of this paragraph:
12	٠	"Appurtenances" means operational infrastructure
13		of the appropriate type and scale for economic
14		commercial storage and distribution, and other similar
15		handling of feedstock, fuels, and other products of
16		biofuel processing facilities.
17		"Biofuel processing facility" means a facility
18		that produces liquid or gaseous fuels from organic
19		sources such as biomass crops, agricultural residues,
20		and oil crops, including palm, canola, soybean, and

waste cooking oils; grease; food wastes; and animal

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

"Agricultural-energy facility" means a facility
that generates, stores, or distributes renewable
energy as defined in section 269-91 or renewable fuel
including electrical or thermal energy or liquid or
gaseous fuels from products of agricultural activities
from agricultural lands located in the State.

"Appurtenances" means operational infrastructure of the appropriate type and scale for the economic commercial generation, storage, distribution, and other similar handling of energy, including equipment, feedstock, fuels, and other products of agricultural-energy facilities;

(18) Construction and operation of wireless communication antennas; provided that, for the purposes of this paragraph, "wireless communication antenna" means communications equipment that is either freestanding or placed upon or attached to an already existing structure and that transmits and receives electromagnetic radio signals used in the provision of all types of wireless communications services; provided further that nothing in this paragraph shall

1		be construed to permit the construction of any new
2		structure that is not deemed a permitted use under
3		this subsection;
4	(19)	Agricultural education programs conducted on a farming
5		operation as defined in section 165-2, for the
6		education and participation of the general public;
7		provided that the agricultural education programs are
8		accessory and secondary to the principal agricultural
9		use of the parcels or lots on which the agricultural
10		education programs are to occur and do not interfere
11		with surrounding farm operations. For the purposes of
12		this paragraph, "agricultural education programs"
13		means activities or events designed to promote
14		knowledge and understanding of agricultural activities
15		and practices conducted on a farming operation as
16		defined in section 165-2;
17	(20)	Solar energy facilities that do not occupy more than
18		ten per cent of the acreage of the parcel, or twenty
19		acres of land, whichever is lesser or for which a
20		special use permit is granted pursuant to section

205-6; provided that this use shall not be permitted

1		on lands with soil classified by the land study
2		bureau's detailed land classification as overall
3		(master) productivity rating class A unless the solar
4		energy facilities are:
5		(A) Located on a paved or unpaved road in existence
6		as of December 31, 2013, and the parcel of land
7		upon which the paved or unpaved road is located
8		has a valid county agriculture tax dedication
9		status or a valid agricultural conservation
10		easement;
11		(B) Placed in a manner that still allows vehicular
12		traffic to use the road; and
13		(C) Granted a special use permit by the commission
14		pursuant to section 205-6;
15	(21)	Solar energy facilities on lands with soil classified
16		by the land study bureau's detailed land
17		classification as overall (master) productivity rating
18		B or C for which a special use permit is granted
19		pursuant to section 205-6; provided that:
20		(A) The area occupied by the solar energy facilities
21		is also made available for compatible

### S.B. NO. 2524 S.D. 1 H.D. 1 C.D. 1

1		agrı	cultural activities at a lease rate that is
2		at l	east fifty per cent below the fair market
3		rent	for comparable properties;
4	(B)	Proo	f of financial security to decommission the
5		faci	lity is provided to the satisfaction of the
6		appr	opriate county planning commission prior to
7		date	of commencement of commercial generation;
8		and	
9	(C)	Sola	r energy facilities shall be decommissioned
10		at t	he owner's expense according to the following
11		requ	irements:
12		(i)	Removal of all equipment related to the
13			solar energy facility within twelve months
14			of the conclusion of operation or useful
15			life; and
16		(ii)	Restoration of the disturbed earth to
17			substantially the same physical condition as
18			existed prior to the development of the
19			solar energy facility.

### S.B. NO. 2524 S.D. 1 H.D. 1 C.D. 1

1		For the purposes of this paragraph, "agricultural
2		activities" means the activities described in
3		paragraphs (1) to (3);
4	(22)	Geothermal resources exploration and geothermal
5		resources development, as defined under section 182-1;
6		or
7	(23)	Hydroelectric facilities, including the appurtenances
8		associated with the production and transmission of
9		hydroelectric energy, subject to section 205-2;
10		provided that the hydroelectric facilities and their
11		appurtenances:
12		(A) Shall consist of a small hydropower facility as
13		defined by the United States Department of
14		Energy, including:
15		(i) Impoundment facilities using a dam to store
16		water in a reservoir;
17		(ii) A diversion or run-of-river facility that
18		channels a portion of a river through a
19		canal or channel; and
20		(iii) Pumped storage facilities that store energy
21		by pumping water uphill to a reservoir at

## S.B. NO. S.D. 1 H.D. 1 C.D. 1

1		nigher elevation from a reservoir at a lower
2		elevation to be released to turn a turbine
3		to generate electricity;
4	(B)	Comply with the state water code, chapter 174C;
5	(C)	Shall, if over five hundred kilowatts in
6		hydroelectric generating capacity, have the
7		approval of the commission on water resource
8		management, including a new instream flow
9		standard established for any new hydroelectric
10		facility; and
11	(D)	Do not impact or impede the use of agricultural
12		land or the availability of surface or ground
13		water for all uses on all parcels that are served
14		by the ground water sources or streams for which
15		hydroelectric facilities are considered.
16	(b) Uses	not expressly permitted in subsection (a) shall
17	be prohibited,	except the uses permitted as provided in sections
18	205-6 and 205-	8, and construction of single-family dwellings on
19	lots existing	before June 4, 1976. Any other law to the
20	contrary notwi	thstanding, no subdivision of land within the
21	agricultural d	istrict with soil classified by the land study

- 1 bureau's detailed land classification as overall (master)
- 2 productivity rating class A or B shall be approved by a county
- 3 unless those A and B lands within the subdivision are made
- 4 subject to the restriction on uses as prescribed in this section
- 5 and to the condition that the uses shall be primarily in pursuit
- 6 of an agricultural activity.
- 7 Any deed, lease, agreement of sale, mortgage, or other
- 8 instrument of conveyance covering any land within the
- 9 agricultural subdivision shall expressly contain the restriction
- 10 on uses and the condition, as prescribed in this section that
- 11 these restrictions and conditions shall be encumbrances running
- 12 with the land until such time that the land is reclassified to a
- 13 land use district other than agricultural district.
- 14 If the foregoing requirement of encumbrances running with
- 15 the land jeopardizes the owner or lessee in obtaining mortgage
- 16 financing from any of the mortgage lending agencies set forth in
- 17 the following paragraph, and the requirement is the sole reason
- 18 for failure to obtain mortgage financing, then the requirement
- 19 of encumbrances shall, insofar as such mortgage financing is
- 20 jeopardized, be conditionally waived by the appropriate county
- 21 enforcement officer; provided that the conditional waiver shall

# S.B. NO. S.D. 1

- 1 become effective only in the event that the property is
- 2 subjected to foreclosure proceedings by the mortgage lender.
- 3 The mortgage lending agencies referred to in the preceding
- 4 paragraph are the Federal Housing Administration, Federal
- 5 National Mortgage Association, Department of Veterans Affairs,
- 6 Small Business Administration, United States Department of
- 7 Agriculture, Federal Land Bank of Berkeley, Federal Intermediate
- 8 Credit Bank of Berkeley, Berkeley Bank for Cooperatives, and any
- 9 other federal, state, or private mortgage lending agency
- 10 qualified to do business in Hawaii, and their respective
- 11 successors and assigns.
- 12 (c) Within the agricultural district, all lands with soil
- 13 classified by the land study bureau's detailed land
- 14 classification as overall (master) productivity rating class C,
- 15 D, E, or U shall be restricted to the uses permitted for
- 16 agricultural districts as set forth in section 205-5(b).
- 17 (d) Notwithstanding any other provision of this chapter to
- 18 the contrary, golf courses and golf driving ranges approved by a
- 19 county before July 1, 2005, for development within the
- 20 agricultural district shall be permitted uses within the
- 21 agricultural district.

# S.B. NO. S.D. 1 H.D. 1

1	(e)	Notwithstanding any other provision of this chapter to	
2	the contr	ary, plantation community subdivisions as defined in	
3	this sect	ion shall be permitted uses within the agricultural	
4	district,	and section 205-8 shall not apply.	
5	[+] (	f)[+] Notwithstanding any other law to the contrary,	
6	agricultural lands may be subdivided and leased for the		
7	agricultu	ral uses or activities permitted in subsection (a);	
8	provided	that:	
9	(1)	The principal use of the leased land is agriculture;	
10	(2)	No permanent or temporary dwellings or farm dwellings,	
11		including trailers and campers, are constructed on the	
12		leased area. This restriction shall not prohibit the	
13		construction of storage sheds, equipment sheds, or	
14		other structures appropriate to the agricultural	
15		activity carried on within the lot; [and] provided	
16		that in a county with a population of seven hundred	
17		fifty thousand or more, no residential use of such	
18		sheds or other structures for any length of time shall	
19		be permitted unless such use is permitted under county	
20		ordinances and rules, and any violation of this	
21		paragraph shall be subject to county enforcement	

### S.B. NO. 2524 S.D. 1 H.D. 1

1		authority and fines pursuant to sections 46-4, 205-12,
2		and 205-13;
3	(3)	No residential development is constructed on lands
4		that are currently in a preservation zoning district
5		in a county with a population of seven hundred fifty
6		thousand or more; and
7	[ <del>(3)</del> ]	(4) The lease term for a subdivided lot shall be for
8		at least as long as the greater of:
9		(A) The minimum real property tax agricultural
10		dedication period of the county in which the
11		subdivided lot is located; or
12		(B) Five years.
13	Lots crea	ted and leased pursuant to this section shall be legal
14	lots of re	ecord for mortgage lending purposes and shall be exempt
15	from coun	ty subdivision standards.
16	(g)	In a county with a population of seven hundred fifty
17	thousand o	or more, any person owning property in the community
18	adjacent	to agricultural lands may report in writing a violation
19	of subsec	tion (f) to the respective county enforcement
20	authority	, which the enforcement authority shall have thirty
21	days from	receipt of the written report to investigate the

- 1 complaint. Any agricultural lands found to be in violation of
- 2 subsection (f) shall be subject to enforcement by the county in
- 3 which the agricultural lands are located and fines pursuant to
- 4 sections 46-4, 205-12, and 205-13; provided that the county
- 5 shall provide a report to the department of agriculture on an
- 6 annual basis that includes a summary of all written violations,
- 7 the results of the county's investigation, and any fines levied
- 8 pursuant to this subsection."
- 9 SECTION 4. Section 514B-6, Hawaii Revised Statutes, is
- 10 amended to read as follows:
- "[+] §514B-6[+] Supplemental county ordinances and rules
- 12 governing a condominium property regime. Whenever any county
- 13 deems it proper, the county may adopt supplemental rules, and in
- 14 a county with a population of seven hundred fifty thousand or
- 15 more, ordinances, governing condominium property regimes
- 16 established under this chapter in order to implement this
- 17 program; provided that any of the supplemental rules adopted
- 18 shall not conflict with this chapter or with any of the rules
- 19 adopted by the commission to implement this chapter."
- 20 SECTION 5. Section 514B-52, Hawaii Revised Statutes, is
- 21 amended by amending subsection (b) to read as follows:

### S.B. NO. 2524 S.D. 1 H.D. 1

1	"(b)	An application for registration of a project in the
2	agricultu	ral district classified pursuant to chapter 205 shall
3	include a	verified statement, signed by an appropriate county
4	official,	that the project as described and set forth in the
5	project's	declaration, condominium map, bylaws, and house rules
6	[ <del>does</del> ]:	
7	(1)	Does not include any restrictions limiting or
8		prohibiting agricultural uses or activities, in
9		compliance with section 205-4.6[ $\div$ ]; and
10	(2)	For an application for registration of a project in
1		the agricultural district classified pursuant to
12		chapter 205 in a county with a population of seven
13		hundred fifty thousand or more, may include comments
<b>14</b>		on the availability of supportive infrastructure, the
15		potential impact on environmental resources, and other
16		requirements of county ordinances and rules.
17	The commis	ssion shall not accept the registration of a project
18	where a co	ounty official has not signed a verified statement."
19	SECT	ION 6. Statutory material to be repealed is bracketed
20	and strick	ken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2018.

S.B. NO. 2524 S.D. 1 H.D. 1 C.D. 1

### Report Title:

Condominium Property Regimes; Land Use; Planned Community Associations; Notice; Agricultural Lands; County Subdivision Requirements

### Description:

For purposes of a county with a population of 750,000 or more: for planned community associations, requires the owner of any parcel of land subdivided as a condominium property regime in agricultural or preservation lands to provide public notice of the sale no later than ninety days after the sale of the parcel; Prohibits residential use of sheds or other structures on agricultural lands unless permitted under county ordinances and rules; allows for county enforcement and fines for violations of the prohibition; and allows for an application for registration of a project in an agricultural district to include in its verified statement comments on the availability of supportive infrastructure, the potential impact on environmental resources, and other requirements of county ordinances and rules. (CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.