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:
 - SB975 SD2 LRB 19-1973.doc

1	"§421J- Proposed land sale; agricultural and
2	<pre>preservation lands; public notice.</pre> If any parcel of land is
3	subdivided as a condominium property regime in agricultural or
4	preservation lands within a county with a population of seven
5	hundred fifty thousand or more, the owner of the parcel shall
6	provide public notification of the sale no later than ninety
7	days after the sale of the parcel."
8	SECTION 3. Section 205-4.5, Hawaii Revised Statutes, is
9	amended to read as follows:
10	"§205-4.5 Permissible uses within the agricultural
11	districts. (a) Within the agricultural district, all lands
12	with soil classified by the land study bureau's detailed land
13	classification as overall (master) productivity rating class A
14	or B and for solar energy facilities, class B or C, shall be
15	restricted to the following permitted uses:
16	(1) Cultivation of crops, including crops for bioenergy,
17	flowers, vegetables, foliage, fruits, forage, and
18	timber;
19	(2) Game and fish propagation;

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
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
8		and used in connection with a farm, including clusters
9		of single-family farm dwellings permitted within
10		agricultural parks developed by the State, or where
11		agricultural activity provides income to the family
12		occupying the dwelling;
13	(5)	Public institutions and buildings that are necessary
14		for agricultural practices;
15	(6)	Public and private open area types of recreational
16		uses, including day camps, picnic grounds, parks, and
17		riding stables, but not including dragstrips,
18		airports, drive-in theaters, golf courses, golf
19		driving ranges, country clubs, and overnight camps;
20	(7)	Public, private, and quasi-public utility lines and

roadways, transformer stations, communications

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

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

1		enjoyment, education, or involvement of visitors;
2		provided that the agricultural tourism activity is
3		accessory and secondary to the principal agricultural
4		use and does not interfere with surrounding farm
5		operations; and provided further that this paragraph
6		shall apply only to a county that has adopted
7		ordinances regulating agricultural tourism under
8		section 205-5;
9	(14)	Agricultural tourism activities, including overnight
10		accommodations of twenty-one days or less, for any one
11		stay within a county; provided that this paragraph
12		shall apply only to a county that includes at least
13		three islands and has adopted ordinances regulating
14		agricultural tourism activities pursuant to section
15		205-5; provided further that the agricultural tourism
16		activities coexist with a bona fide agricultural
17		activity. For the purposes of this paragraph, "bona
18		fide agricultural activity" means a farming operation
19		as defined in section 165-2;
20	(15)	Wind energy facilities, including the appurtenances

associated with the production and transmission of

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

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

1	agricultural	activity	with	an	agricultural-energy
2	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, including small wireless facilities; 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

1		used in the provision of all types of wireless
2		communications services; provided further that "small
3		wireless facilities" shall have the same meaning as in
4		section 206N-2; provided further that nothing in this
5		paragraph shall be construed to permit the
6		construction of any new structure that is not deemed a
7		permitted use under this subsection;
8	(19)	Agricultural education programs conducted on a farming
9		operation as defined in section 165-2, for the
10		education and participation of the general public;
11		provided that the agricultural education programs are
12		accessory and secondary to the principal agricultural
13		use of the parcels or lots on which the agricultural
14		education programs are to occur and do not interfere
15		with surrounding farm operations. For the purposes of
16		this paragraph, "agricultural education programs"
17		means activities or events designed to promote
18		knowledge and understanding of agricultural activities
19		and practices conducted on a farming operation as
20		defined in section 165-2;



1	(20)	Sola	r energy facilities that do not occupy more than
2		ten	per cent of the acreage of the parcel, or twenty
3		acre	s of land, whichever is lesser or for which a
4		spec	ial use permit is granted pursuant to section
5		205-	6; provided that this use shall not be permitted
6		on 1	ands with soil classified by the land study
7		bure	au's detailed land classification as overall
8		(mas	ter) productivity rating class A unless the solar
9		ener	gy facilities are:
10		(A)	Located on a paved or unpaved road in existence
11			as of December 31, 2013, and the parcel of land
12			upon which the paved or unpaved road is located
13			has a valid county agriculture tax dedication
14			status or a valid agricultural conservation
15			easement;
16		(B)	Placed in a manner that still allows vehicular
17			traffic to use the road; and
18		(C)	Granted a special use permit by the commission
19			pursuant to section 205-6;
20	(21)	Sola	r energy facilities on lands with soil classified
21		by t	he land study bureau's detailed land

1	clas	sification as overall (master) productivity rating
2	B or	C for which a special use permit is granted
3	purs	uant to section 205-6; provided that:
4	(A)	The area occupied by the solar energy facilities
5		is also made available for compatible
6		agricultural activities at a lease rate that is
7		at least fifty per cent below the fair market
8		rent for comparable properties;
9	(B _.)	Proof of financial security to decommission the
10		facility is provided to the satisfaction of the
11		appropriate county planning commission prior to
12		date of commencement of commercial generation;
13		and
14	(C)	Solar energy facilities shall be decommissioned
15		at the owner's expense according to the following
16		requirements:
17		(i) Removal of all equipment related to the
18		solar energy facility within twelve months
19		of the conclusion of operation or useful
20		life; and

1		(ii) Restoration of the disturbed earth to
2		substantially the same physical condition as
3		existed prior to the development of the
4		solar energy facility.
5		For the purposes of this paragraph, "agricultural
6		activities" means the activities described in
7		paragraphs (1) to (3);
8	(22)	Geothermal resources exploration and geothermal
9		resources development, as defined under section 182-1;
10		or
11	(23)	Hydroelectric facilities, including the appurtenances
12		associated with the production and transmission of
13		hydroelectric energy, subject to section 205-2;
14		provided that the hydroelectric facilities and their
15		appurtenances:
16		(A) Shall consist of a small hydropower facility as
17		defined by the United States Department of
18		Energy, including:
19		(i) Impoundment facilities using a dam to store
20		water in a reservoir;

1	(11) A diversion or run-of-river facility that
2	channels a portion of a river through a
3	canal or channel; and
4	(iii) Pumped storage facilities that store energy
5	by pumping water uphill to a reservoir at
6	higher elevation from a reservoir at a lower
7	elevation to be released to turn a turbine
8	to generate electricity;
9	(B) Comply with the state water code, chapter 174C;
10	(C) Shall, if over five hundred kilowatts in
11	hydroelectric generating capacity, have the
12	approval of the commission on water resource
13	management, including a new instream flow
14	standard established for any new hydroelectric
15	facility; and
16	(D) Do not impact or impede the use of agricultural
17	land or the availability of surface or ground
18	water for all uses on all parcels that are served
19	by the ground water sources or streams for which
20	hydroelectric facilities are considered

- (b) 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
- 5 contrary notwithstanding, no subdivision of land within the
- 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
- 14 instrument of conveyance covering any land within the
- 15 agricultural subdivision shall expressly contain the restriction
- 16 on uses and the condition, as prescribed in this section that
- 17 these restrictions and conditions shall be encumbrances running
- 18 with the land until such time that the land is reclassified to a
- 19 land use district other than agricultural district.
- 20 If the foregoing requirement of encumbrances running with
- 21 the land jeopardizes the owner or lessee in obtaining mortgage



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



1 D, E, or U shall be restricted to the uses permitted for 2 agricultural districts as set forth in section 205-5(b). 3 (d) Notwithstanding any other provision of this chapter to 4 the contrary, golf courses and golf driving ranges approved by a 5 county before July 1, 2005, for development within the 6 agricultural district shall be permitted uses within the 7 agricultural district. 8 (e) Notwithstanding any other provision of this chapter to 9 the contrary, plantation community subdivisions as defined in 10 this section shall be permitted uses within the agricultural 11 district, and section 205-8 shall not apply. 12 [f] (f) [f] Notwithstanding any other law to the contrary, 13 agricultural lands may be subdivided and leased for the 14 agricultural uses or activities permitted in subsection (a); 15 provided that: 16 (1)The principal use of the leased land is agriculture; 17 (2) No permanent or temporary dwellings or farm dwellings, 18 including trailers and campers, are constructed on the 19 leased area. This restriction shall not prohibit the 20 construction of storage sheds, equipment sheds, or

other structures appropriate to the agricultural

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1		activity carried on within the lot; [and] provided
2		that no residential use of such sheds or other
3		structures for any length of time shall be permitted,
4		and any violation of this paragraph shall be subject
5		to county enforcement authority and fines pursuant to
6		sections 46-4, 205-12, and 205-13;
7	(3)	No residential development is constructed on lands
8		that are currently in a preservation zoning district
9		in a county with a population of seven hundred fifty
10		thousand or more; and
11	[(3)]	(4) The lease term for a subdivided lot shall be for
12		at least as long as the greater of:
13		(A) The minimum real property tax agricultural
14		dedication period of the county in which the
15		subdivided lot is located; or
16		(B) Five years.
17	Lots crea	ted and leased pursuant to this section shall be legal
18	lots of re	ecord for mortgage lending purposes and shall be exempt
19	from coun	ty subdivision standards.
20	<u>(g)</u>	In a county with a population of seven hundred fifty
21	thousand	or more, any person owning property in the community



- 1 adjacent to agricultural lands may report in writing a violation
- 2 of subsection (f) to the respective county enforcement
- 3 authority, and the enforcement authority shall have thirty days
- 4 from receipt of the written report to investigate the complaint.
- 5 Any agricultural lands found to be in violation of subsection
- 6 (f) shall be subject to enforcement by the county in which the
- 7 agricultural lands are located and fines pursuant to sections
- 8 46-4, 205-12, and 205-13; provided that the county shall provide
- 9 a report to the department of agriculture on an annual basis
- 10 that includes a summary of all written reports of violations,
- 11 the results of the county's investigation, and any fines levied
- 12 pursuant to this subsection."
- 13 SECTION 4. Section 514B-6, Hawaii Revised Statutes, is
- 14 amended to read as follows:
- "[+] §514B-6[+] Supplemental county ordinances and rules
- 16 governing a condominium property regime. Whenever any county
- 17 deems it proper, the county may adopt supplemental rules, and in
- 18 a county with a population of seven hundred fifty thousand or
- 19 more, ordinances, governing condominium property regimes
- 20 established under this chapter in order to implement this
- 21 program; provided that any of the supplemental rules adopted



1	SHAII HOU	conflict with this chapter of with any of the rules
2	adopted b	y the commission to implement this chapter."
3	SECT	ION 5. Section 514B-52, Hawaii Revised Statutes, is
4	amended b	y amending subsection (b) to read as follows:
5	" (b)	An application for registration of a project in the
6	agricultu	ral district classified pursuant to chapter 205
7	[shall]:	
8	(1)	Shall include a verified statement, signed by an
9		appropriate county official, that the project as
10		described and set forth in the project's declaration,
11		condominium map, bylaws, and house rules does not
12		include any restrictions limiting or prohibiting
13		agricultural uses or activities, in compliance with
14		section 205-4.6[-]; and
15	(2)	May include comments on the availability of supportive
16		infrastructure, the potential impact on environmental
17		resources, and other requirements of county ordinances
18		and rules; provided that this paragraph shall apply to
19		a project in a county with a population of seven
20		hundred fifty thousand or more.

1	THE COMMIT	ssion shall not accept the registration of a project
2	where a c	ounty official has not signed a verified statement."
3	SECT	ION 6. Section 514B-83, Hawaii Revised Statutes, is
4	amended by	y amending subsection (a) to read as follows:
5	" (a)	A developer's public report shall contain:
6	(1)	The name and address of the project, and the name,
7		address, telephone number, and electronic mail
8		address, if any, of the developer or the developer's
9		agent;
10	(2)	A statement of the deadline, pursuant to section
11		514B-89, for completion of construction or, in the
12		case of a conversion, for the completion of any
13		repairs required to comply with section 514B-5, and
14		the remedies available to the purchaser, including
15		[but not limited to] cancellation of the sales
16		contract, if the completion of construction or repairs
17		does not occur on or before the completion deadline;
18	(3)	A breakdown of the annual maintenance fees and the
19		monthly estimated cost for each unit, certified to
20		have been based on generally accepted accounting
21		principles, and a statement regarding when a purchase

principles, and a statement regarding when a purchaser

1		shall become obligated to start paying the fees
2		pursuant to section 514B-41(b);
3	(4)	A description of all warranties for the individual
4		units and the common elements, including the date of
5		initiation and expiration of any such warranties, or a
6		statement that no warranties exist;
7	(5)	A summary of the permitted uses of the units and, if
8		applicable, the number of units planned to be devoted
9		to a particular use;
10	(6)	A description of any development rights reserved to
11		the developer or others;
12	(7)	A declaration, subject to the penalties set forth in
13		section 514B-69(b), that the project is in compliance
14		with all county zoning and building ordinances and
15		codes, chapter 205, including [section] sections
16		205-4.5(f) and 205-4.6 where applicable, and all other
17		county permitting requirements applicable to the
18		project, pursuant to sections 514B-5 and
19		514B-32(a)(13); and
20	(8)	Any other facts, documents, or information that would
21		have a material impact on the use or value of a unit

1	or any appurtenant limited common elements or
2	amenities of the project available for an owner's use,
3	or that may be required by the commission."
4	SECTION 7. Statutory material to be repealed is bracketed
5	and stricken. New statutory material is underscored.
6	SECTION 8. This Act shall take effect on July 1, 2050;
7	provided that the amendments made to section 205-4.5, Hawaii
8	Revised Statutes, by this Act shall not be repealed when section
9	205-4.5, Hawaii Revised Statutes, is reenacted on June 30, 2019,
10	by section 3 of Act 52, Session Laws of Hawaii 2014.

Report Title:

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

Description:

Requires public notice of sale of agricultural or preservation property subdivided as a condominium property regime in a planned community association within 90 days of subdivision and sale. Prohibits any residential use for any period of structures on agricultural and preservation land. In a county with a population of 750,000 or more, allows for county enforcement of state and county requirements on subdivided agricultural land based on community reports of suspected violations. Permits consideration of infrastructure and environmental impacts on applications for condominium projects on agricultural land. Requires the declaration in a condominium project developer's public report to specify that the project is in compliance with section 205-4.5(f), HRS. Effective 7/1/2050. (SD2)

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