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HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF AGRICULTURE TO ESTABLISH A KONA AREA AGRICULTURAL WORKING GROUP TO PROMOTE AGRICULTURE, ECONOMIC DEVELOPMENT, AND HOUSING.

WHEREAS, a thriving and sustainable agriculture industry serves as a critical component of Hawaii County's rural lifestyle, character, and economy by producing food, fiber, energy, and ornamentals for local consumption and export; and

WHEREAS, Hawaii island agriculture will continue to be a stabilizing foundation of the local economy for the foreseeable future; and

WHEREAS, agriculture exports to outer island and the North American and Asia continents provide a critical infusion of money originating off-island; and

WHEREAS, the agriculture industry on the island of Hawaii would greatly benefit from the availability of services that are not currently being provided, such as improving the food security by encouraging the consumption of locally produced agricultural goods, developing county provided services to the agriculture producers or processors at economically viable rates, and other programs to encourage and more fully develop this important industry on Hawaii island; and

WHEREAS, the Kona area provides a plethora of singular ventures that can improve the agriculture, economic development, and housing opportunities by working together with state and county agencies; and

WHEREAS, the construction of the Keahole Agricultural Park was intended to strengthen diversified agriculture through a plan that consolidates and concentrates agricultural activities in a centralized location for the purpose of improving production and distribution; and

WHEREAS, the one hundred seventy-nine acre Keahole Agricultural Park is in consonance with state policy and

complements the existing rural environment, provides employment, and stimulates the agricultural economy in the area; and

WHEREAS, due to constraints in water availability, the agricultural park has been implemented in phases and one hundred-plus acres of state-owned land immediately mauka of the agricultural park remain undeveloped and unproductive; and

WHEREAS, the close proximity of the Palamanui Campus of Hawaii Community College to the Keahole Agriculture Park offers opportunities for courses in landscape agriculture and engineering; and

WHEREAS, energy and ocean-related research, education, and commercial aquaculture is centered at the Natural Energy of Hawaii Authority (NELHA) on three hundred twenty-two acres at Keahole Point and NELHA provides an opportunity to expand production of fresh aquaculture food products, promote marketing of locally grown aquaculture products, provide stable cash flow for aquaculture farmers, and create a varied and large market for local aquaculture; and

WHEREAS, currently, the County of Hawaii hauls its west side green waste to Hilo for processing. Instead, these nutrient rich waste products can be mixed with West Hawaii's abundant green waste to produce a nitrogen-rich and valuable compost for agricultural park farmers, who struggle to operate on volcanic lands; and

WHEREAS, for the last decade, the Kealakehe Wastewater Treatment Plant treats and disposes of sewage collected from the North Kona Sewerage system, which extends across the greater Kailua-Kona region. Current flows, rich in nitrogen and phosphorus, to the plant are approximately 1.8 million gallons per day migrating through groundwater and delivered directly above Honokohau Harbor and through the adjacent porous shorelines, thereby resulting in West Hawaii's coastal waters being rated as impaired by the Department of Health. Treating and reusing the water to irrigate the Keahole Agricultural Park, NELHA, and resorts and homes in between the two locations can reduce the demand for freshwater which will help relieve high demand on high elevation wells and reduce irrigation costs; and

WHEREAS, the Department of Transportation's Keahole Airport has its own wastewater treatment plant that produces an excess of recycled water to irrigate its airport facilities and may also be usable to irrigate neighboring state facilities, including the Keahole Agricultural Park; and

WHEREAS, a 2015 report by the Department of Business, Economic Development, and Tourism titled "Measuring Housing Demand in Hawaii, 2015-2025" projected that Hawaii County's population will grow by twenty-nine per cent by 2025, creating a forecasted demand for 18,610 additional housing units, which is approximately thirty per cent of the total projected demand of 64,700 housing units needed across the state; and

WHEREAS, the County of Hawaii lacks a comprehensive plan that defines strategies and target deadlines to create more housing over the short- and long-term, as well as the kind of housing that is needed and its location, how to fund critical infrastructure, ways to foster public-private partnerships, recommendations to leverage state and federal policy tools and funding streams, and policy changes to reduce barriers and obstacles to address the island's housing crisis with a clearly defined purpose, vision, and values; and

WHEREAS, the Department of Hawaiian Home Lands owns six hundred acres in the Keahole Agricultural Park area. Four hundred vacant acres are zoned for residential development. One hundred acres are zoned for agricultural development and one hundred acres are zoned for commercial development. Development in this area can contribute to creating a significant number of homes for Hawaiians on Hawaii island; and

WHEREAS, the Hawaii Opportunity Zones Program provides incentives for investors to re-invest realized capital gains into Opportunity Funds in exchange for temporary tax deferral and other benefits. The Opportunity Funds are then used to provide investment capital in certain economically distressed communities called Opportunity Zones. The Kona area is home to Opportunity Zone 215.4 and 216.1. The Opportunity Zone designation makes them extremely attractive to private investors so these opportunities do not necessarily require state funding

to be realized due to the presence of federal infrastructure development financing; now, therefore,

BE IT RESOLVED by the House of Representatives of the Thirty-first Legislature of the State of Hawaii, Regular Session of 2021, that the Department of Agriculture is urged to form an inter-governmental Kona Area agricultural working group to help navigate opportunities of agriculture, affordable housing, and economic development consisting of members of relevant county departments and agencies to develop and implement a comprehensive plan for the Kona area; and

BE IT FURTHER RESOLVED that the working group is requested to develop a framework to:

(1) Improve communication to increase efficiency and strengthen partnerships between Hawaii County, the agriculture industry, landowners, and the Hawaii island community;

(2) Increase profitability of Hawaii Island's agricultural businesses through cost reduction strategies and greater market share for local products;

(3) Increase the availability and quality of agricultural education on Hawaii island;

(4) Secure affordable land with long-term tenure for farming and ranching and allow for the production of residential units on Hawaiian home lands;

(5) Provide adequate and affordable agricultural water for farmers, livestock producers, and food processors;

(6) Reduce the cost of energy and fuel for agricultural producers;

(7) Maximize transportation infrastructure resources and minimize transporting green waste within the Kona area;

1 2 3	(8)	Promote environmental conservation and minimize discharges of wastewater;
4 5 6 7 8	(9)	Facilitate practical, applied research that will assist farmers in crop and livestock production using sustainable techniques and establish Hawaii island as a center for tropical agricultural research; and
9 10 11 12	(10)	Promote investment opportunities in areas in the federal Opportunity Zone designation and maximize on realizing federal infrastructure development; and
13 14 15		T FURTHER RESOLVED that the working group's membership f the following members:
16 17 18	(1)	One member of the Senate, to be appointed by the President of the Senate;
19 20 21 22	(2)	One member of the House of Representatives, to be appointed by the Speaker of the House of Representatives;
23 24	(3)	One representative of the Department of Agriculture;
25 26 27	(4)	One representative of the Department of Business, Economic Development, and Tourism;
28 29	(5)	One representative of the Department of Hawaiian Home Lands;
30 31 32	(6)	One representative of the Department of Health;
33 34 35	(7)	One representative of the Department of Transportation;
36 37 38	(8)	One representative of the University of Hawaii System (Hawaii Community College);
39 40	(9)	One representative of the Office of the Mayor of the County of Hawaii;

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1 2 3	(10)	One representative of the Hawaii County Department of Environmental Management; and		
4 5	(11)	One representative of the County of Hawaii Department of Water Supply.		
6 7 8		Chairperson of the Board of Agriculture shall serve as of the task force; and		
9 10	BE IT FURTHER RESOLVED that the working group, with the			
11	administrative assistance of the Department of Agriculture, is			
12 13	requested to submit a report of its findings and recommendations, including any proposed legislation, to the			
14	Legislature no later than twenty days prior to the convening of			
15	the Regular Session of 2022; and			
16	the Regul	ai Session of 2022, and		
17	BE T	T FURTHER RESOLVED that certified copies of this		
18	Resolution be transmitted to the Chairperson of the Board of			
19	Agriculture; Director of Business, Economic Development, and			
20	Tourism; Director of Health, Chairperson of Hawaiian Homes			
21	Commission; Director of Transportation; President of the			
22	University of Hawaii System; Mayor of the County of Hawaii;			
23	Director of the Department of Environmental Management; and			
24	Manager of the Department of Water Supply for the County of			
25	Hawaii.			
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OFFERED BY: Nuite E. L.

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