

MAR 04 2021

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## SENATE RESOLUTION

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

1           WHEREAS, a thriving and sustainable agriculture industry  
2 serves as a critical component of Hawaii County's rural  
3 lifestyle, character, and economy by producing food, fiber,  
4 energy, and ornamentals for local consumption and export; and  
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6           WHEREAS, Hawaii island agriculture will continue to be a  
7 stabilizing foundation of the local economy for the foreseeable  
8 future; and  
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10           WHEREAS, agriculture exports to outer island and the North  
11 American and Asia continents provide a critical infusion of  
12 money originating off-island; and  
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14           WHEREAS, the agriculture industry on the island of Hawaii  
15 would greatly benefit from the availability of services that are  
16 not currently being provided, such as improving the food  
17 security by encouraging the consumption of locally produced  
18 agricultural goods, developing county provided services to the  
19 agriculture producers or processors at economically viable  
20 rates, and other programs to encourage and more fully develop  
21 this important industry on Hawaii island; and  
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23           WHEREAS, the Kona area provides a plethora of singular  
24 ventures that can improve the agriculture, economic development,  
25 and housing opportunities by working together with state and  
26 county agencies; and  
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28           WHEREAS, the construction of the Keahole Agricultural Park  
29 was intended to strengthen diversified agriculture through a  
30 plan that consolidates and concentrates agricultural activities  
31 in a centralized location for the purpose of improving  
32 production and distribution; and  
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34           WHEREAS, the one hundred seventy-nine acre Keahole  
35 Agricultural Park is in consonance with state policy and



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1 complements the existing rural environment, provides employment,  
2 and stimulates the agricultural economy in the area; and  
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4 WHEREAS, due to constraints in water availability, the  
5 agricultural park has been implemented in phases and one  
6 hundred-plus acres of state-owned land immediately mauka of the  
7 agricultural park remain undeveloped and unproductive; and  
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9 WHEREAS, the close proximity of the Palamanui Campus of  
10 Hawaii Community College to the Keahole Agriculture Park offers  
11 opportunities for courses in landscape agriculture and  
12 engineering; and  
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14 WHEREAS, energy and ocean-related research, education, and  
15 commercial aquaculture is centered at the Natural Energy of  
16 Hawaii Authority (NELHA) on three hundred twenty-two acres at  
17 Keahole Point and NELHA provides an opportunity to expand  
18 production of fresh aquaculture food products, promote marketing  
19 of locally grown aquaculture products, provide stable cash flow  
20 for aquaculture farmers, and create a varied and large market  
21 for local aquaculture; and  
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23 WHEREAS, currently, the County of Hawaii hauls its west  
24 side green waste to Hilo for processing. Instead, nutrient rich  
25 waste products produced by NELHA should be mixed with the County  
26 of Hawaii's abundant green waste to produce a nitrogen-rich and  
27 valuable compost for agricultural park farmers, who struggle to  
28 operate on volcanic lands; and  
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30 WHEREAS, for the last decade, the Kealakehe Wastewater  
31 Treatment Plant treats and disposes of sewage collected from the  
32 North Kona Sewerage system, which extends across the greater  
33 Kailua-Kona region. Current discharge, rich in nitrogen and  
34 phosphorus, from the plant are approximately 1.8 million gallons  
35 per day and dumped into an open sump from whence it migrates  
36 through groundwater and delivered directly above Honokohau  
37 Harbor and through the adjacent porous shorelines, thereby  
38 resulting in West Hawaii's coastal waters being rated as  
39 impaired by the Department of Health. Treating and reusing the  
40 water to irrigate the Keahole Agricultural Park, NELHA, and  
41 resorts and homes in between the two locations can reduce the



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1 demand for freshwater which will help relieve high demand on  
2 high elevation wells and reduce irrigation costs; and

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4 WHEREAS, prior to the start of the coronavirus disease 2019  
5 (COVID-19) pandemic, the Department of Transportation's Keahole  
6 Airport had its own wastewater treatment plant that produced an  
7 excess of recycled water to irrigate its airport facilities and  
8 was usable to irrigate neighboring state facilities, including  
9 the Keahole Agricultural Park; and

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11 WHEREAS, a 2015 report by the Department of Business,  
12 Economic Development, and Tourism titled "Measuring Housing  
13 Demand in Hawaii, 2015-2025" projected that Hawaii County's  
14 population will grow by twenty-nine per cent by 2025, creating a  
15 forecasted demand for 18,610 additional housing units, which is  
16 approximately thirty per cent of the total projected demand of  
17 64,700 housing units needed across the state; and

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

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29 WHEREAS, the Department of Hawaiian Home Lands owns six  
30 hundred acres in the Keahole Agricultural Park area. Four  
31 hundred vacant acres are zoned for residential development. One  
32 hundred acres are zoned for agricultural development and one  
33 hundred acres are zoned for commercial development. Development  
34 in this area can contribute to creating a significant number of  
35 homes for Hawaiians on Hawaii island and development in  
36 agricultural and commercial zoned properties will also generate  
37 new and additional revenues for the Department of Hawaiian Home  
38 Lands; and

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40 WHEREAS, the Hawaii Opportunity Zones Program provides  
41 incentives for investors to re-invest realized capital gains  
42 into Opportunity Funds in exchange for temporary tax deferral



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1 and other benefits. The Opportunity Funds are then used to  
2 provide investment capital in certain economically distressed  
3 communities called Opportunity Zones. The Kona area is home to  
4 Opportunity Zone 215.4 and 216.1. The Opportunity Zone  
5 designation makes them extremely attractive to private investors  
6 so these opportunities do not necessarily require state funding  
7 to be realized due to the presence of federal infrastructure  
8 development financing; now, therefore,

9

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

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

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- 22 (1) Improve communication to increase efficiency and  
23 strengthen partnerships between Hawaii County, the  
24 agriculture industry, landowners, and the Hawaii  
25 island community;
- 26 (2) Increase profitability of Hawaii Island's agricultural  
27 businesses through cost reduction strategies and  
28 greater market share for local products;
- 29 (3) Increase the availability and quality of agricultural  
30 education on Hawaii island;
- 31 (4) Secure affordable land with long-term tenure for  
32 farming and ranching and allow for the production of  
33 residential units on Hawaiian home lands;
- 34 (5) Provide adequate and affordable agricultural water for  
35 farmers, livestock producers, and food processors;
- 36 (6) Reduce the cost of energy and fuel for agricultural  
37 producers;
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- (7) Maximize transportation infrastructure resources and minimize transporting green waste within the Kona area;
- (8) Promote environmental conservation and minimize discharges of wastewater;
- (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
- (10) Promote investment opportunities in areas in the federal Opportunity Zone designation and maximize on realizing federal infrastructure development; and

BE IT FURTHER RESOLVED that the working group's membership consist of the following members:

- (1) One member of the Senate, to be appointed by the President of the Senate;
- (2) One member of the House of Representatives, to be appointed by the Speaker of the House of Representatives;
- (3) One representative of the Department of Agriculture;
- (4) One representative of the Department of Business, Economic Development, and Tourism;
- (5) One representative of the Department of Hawaiian Home Lands;
- (6) One representative of the Department of Health;
- (7) One representative of the Department of Transportation;
- (8) One representative of the University of Hawaii System (Hawaii Community College);



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- (9) One representative of the Office of the Mayor of the County of Hawaii;
- (10) One representative of the Hawaii County Department of Environmental Management; and
- (11) One representative of the County of Hawaii Department of Water Supply.

The Chairperson of the Board of Agriculture shall serve as the chair of the task force; and

BE IT FURTHER RESOLVED that the working group, with the administrative assistance of the Department of Agriculture, is requested to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2022; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Chairperson of the Board of Agriculture; Director of Business, Economic Development, and Tourism; Director of Health, Chairperson of Hawaiian Homes Commission; Director of Transportation; President of the University of Hawaii System; Mayor of the County of Hawaii; Director of the Department of Environmental Management; and Manager of the Department of Water Supply for the County of Hawaii.

OFFERED BY: 

