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SHAN S. TSUTSUI Lt. Governor



**SCOTT E. ENRIGHT**Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

## State of Hawaii DEPARTMENT OF AGRICULTURE

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# TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

#### BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

February 4, 2016 8:30 A.M. CONFERENCE ROOM 312

#### HOUSE BILL NO. 1984 RELATING TO AGRICULTURE

Chairperson Tsuji and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1984 that seeks to establish "agricultural community subdivisions" as a permitted use throughout the State Agricultural District including designated Important Agricultural Lands. The Department of Agriculture supports the establishment of agricultural employee housing. We are appreciative of the creative approach described in this bill, however we have strong concerns that, as written, this bill may result in adverse unintended consequences.

The bill defines "agricultural community subdivisions" (page 12, line 17 to page 13, line 8) as primarily employee housing occupied by "employees". We note that the employees occupying houses in an agricultural community subdivision must "...have a property interest in the land;" however they are not required to be employed by agricultural businesses. Those housing units not owned by their occupants shall be rented/leased at affordable rates to agricultural workers, and any agricultural support buildings to be rented/leased to agricultural business operators or agricultural support services.



This measure allows new subdivisions anywhere in the State Agricultural District and with only the weakest link to providing agricultural housing to farm workers – after the subdivisions are created and the houses are built and sold to "employees" or investors. There is no assurance in the bill that these subdivisions over time and with lack of monitoring and enforcement, will become solely or primarily residential in nature.

We recommend that the county planning departments be consulted with respect to conformance of "agricultural community subdivisions" to their ordinances, plans, rules, and regulations.

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Thank you for the opportunity to submit our testimony.

LEO R. ASUNCION

DIRECTOR OFFICE OF PLANNING

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## Statement of LEO R. ASUNCION

Director, Office of Planning before the

#### HOUSE COMMITTEE ON AGRICULTURE

Thursday, February 4, 2016 8:30 AM State Capitol, Conference Room 312

in consideration of HB 1984
RELATING TO AGRICULTURE.

Chair Tsuji, Vice Chair Onishi, and Members of the House Committee on Agriculture.

The Office of Planning (OP) has numerous concerns on HB 1984, which would amend Hawaii Revised Statutes (HRS) § 46-4 and sections of HRS Chapter 205, including HRS § 205-4.5, to allow "agricultural community subdivisions," as a permissible use in the State Agricultural District.

The provisions in HRS § 205-4.5 for plantation community subdivisions were unique. They were adopted to grandfather and protect continued use of <u>existing</u> plantation housing and agricultural support facilities from disinvestment and use restrictions that may have thwarted continued use or repurposing for other agricultural support services.

HB 1984 has the very real potential to result in capital and infrastructure investments that would alienate land from agricultural use, siphon scarce capital away from agriculture, and encourage rural sprawl on agricultural lands. It will be difficult to implement and enforce provisions requiring a nexus to agriculture. These proposed new communities are better situated

on lands designated as State Rural District or in existing rural and urban centers adjoining or in proximity to the land being cultivated.

Thank you for the opportunity to testify on this measure.

## DEPARTMENT OF PLANNING AND PERMITTING

## CITY AND COUNTY OF HONOLULU

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February 4, 2016

The Honorable Clift Tsuji, Chair and Members of the Committee on Agriculture Hawaii House of Representatives Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Tsuji and Members:

Subject: House Bill No. 1984
Relating to Agriculture

The Department of Planning and Permitting (DPP) has serious reservations about House Bill No. 1984 which would allow "agricultural community subdivisions" in the State Agricultural District. As written, this Bill would exempt these subdivisions from county nonconformity provisions.

The DPP supports a vibrant, thriving agricultural economy. The Department recognizes the need for conveniently located housing for agricultural employees. However, we have concerns about this Bill because the proposed provisions lack clarity and the ability to enforce them. More specifically, we have the following concerns:

- The description of "agricultural community subdivisions" is overly vague. Are they intended to only recognize existing, legally established subdivisions, and can they be expanded? Must they constitute a group of legally subdivided lots, or can they be merely a cluster of buildings on a single lot? Are new ones allowed? What sets them apart from the existing provisions for "plantation community subdivision?"
- There is no definition of "employee housing." What is an "agricultural worker?" Under this measure, it is not clear if employees need to be directly working onsite, or whether they could work elsewhere in administrative positions. Can they be employees of an irrigation installation company that works with farming enterprises? Can they be an accountant working in downtown for an agricultural

The Honorable Clift Tsuji, Chair and Members of the Committee on Agriculture Hawaii House of Representatives Hawaii State Capitol Re: House Bill No. 2043

February 4, 2016

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land owner? If an occupant is determined to not be eligible to reside in a unit, is it expected that the DPP will force relocation of the occupant?

- The DPP is primarily a land use planning and regulatory department. It is not well-equipped to monitor tenancy or occupancy of dwellings, i.e., whether a dwelling is owned, occupied or leased by someone associated with agriculture. We understand that those involved in the agricultural industry have a wide range of incomes. How would affordable rents for farm workers be determined? We would have no objections if the State Department of Agriculture or another State agency would be responsible for certification and/or enforcement of the proposed tenancy or occupancy provisions.
- Chapter 205, HRS, and county zoning codes already permit dwellings in the
  agricultural district, provided they meet the State and county definitions of "farm
  dwelling." We are already working on permitting for plantation community
  subdivisions. Moreover, since 1986, we have offered a cluster permit option to
  allow for the grouping of farm dwellings to reduce costs. This permit could be
  used to recognize existing farm dwelling enclaves or permit new ones. Certainly,
  homes developed under this permit could be used by farm workers, as well as
  farm landowners.

We do not see additional agricultural benefits being created by this measure. Rather, we are concerned that instead of supporting agriculture, this Bill will encourage gentlemen estates, because of its vagueness and lack of enforceability. It will further speculative competition for agricultural land.

Thank you for this opportunity to testify.

Very truly yours,

Serge 1. Otta George I. Atta, FAICP

Director



THE **VOICE** OF THE CONSTRUCTION INDUSTRY

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The Honorable Clift Tsuji, Chair
The Honorable Richard Onishi, Vice-Chair
Members of the Committee
Thursday, February 4, 2016

RE: HB 1984: Relating to Agriculture.

Dear Chair Tsuji, Vice-Chair Onishi, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

While BIA Hawaii supports the need for affordable housing, we express our concerns on the wording of H.B. 1984 which would allow for agricultural community subdivisions within the agricultural districts. The intent is to provide agricultural employees access to affordable housing.

The bill proposes to amend an existing section of Chapter 46-4 HRS that allowed for the continuation of employee housing in plantation communities when the plantations were closing. The definition provided in the bill for Agricultural Community Subdivision does not distinguish whether or not the agricultural community is existing or proposed. Also, it does not address the issue of infrastructure provided to the proposed agricultural community subdivision. In the case of the plantation closures, most of the employee housing was on lands controlled by the plantation with infrastructure being maintained by the plantation.

Until clarification is provided on the specific problem or situation being addressed by this bill, we are unable to support it as presently drafted.

Thank you for the opportunity to express our views on this matter.