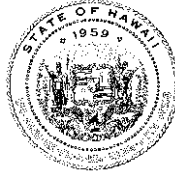


**DAVID Y. IGE**  
Governor

**SHAN S. TSUTSUI**  
Lieutenant Governor

**LUIS P. SALAVERIA**  
Director

**MARY ALICE EVANS**  
Deputy Director



**LAND USE COMMISSION**  
Department of Business, Economic Development & Tourism  
State of Hawai'i

**DANIEL ORODENKER**  
Executive Officer

**Bert K. Saruwatari**  
Planner  
**SCOTT A.K. DERRICKSON AICP**  
Planner

**RILEY K. HAKODA**  
Chief Clerk/Planner

**FRED A. TALON**  
Drafting Technician

---

Statement of  
**Daniel E. Orodener**  
**Executive Officer**  
Land Use Commission  
Before the  
**House Committee on Housing**  
Tuesday February 28, 2017  
10:30 AM  
State Capitol, Conference Room 423

In consideration of  
**HB 0778 HD2**  
**RELATING TO AGRICULTURE**

Chair Brower, Vice Chair Nakamura, and members of the Committee on Housing:

The Land Use Commission respectfully opposes HB0778 HD2, which would amend section 205-2(d), Hawai'i Revised Statutes (HRS) by adding a new subsection allowing multiple dwelling units within the State Agricultural District for lots with Land Study Bureau (LSB) soil classification ratings of C, D, or E. Such dwelling units would not be required to be accessory to agricultural activities, with certain limitations. In addition, the measure contains language to allow the counties to prohibit such dwelling units or limit them to certain geographic locations.

We have serious concerns regarding the scope and impacts from this measure. The proposed amendments would impact approximately 1,656,300 acres of State Agricultural District lands; approximately 91% of all lands within the Agricultural District. With no requirement that such residential dwellings be accessory to agricultural activity; the State Agricultural District will become meaningless. Although the measure provides for certain limitations on the number of such dwellings based on agricultural lot size; we believe that this will actually result in an increase in subdivision requests to the counties in order to maximize such dwelling units.

There is also a clause that provides "...any county may prohibit such dwelling units or may limit such dwelling units to certain areas of the county..." With no requirement that dwelling units be accessory to agricultural activities; we believe there will be no basis upon which the county could prohibit such dwelling units. This could create legal impediments to county enforcement.

Thank you for the opportunity to testify on this matter.

DAVID Y. IGE  
Governor

SHAN S. TSUTSUI  
Lt. Governor



State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
1428 South King Street  
Honolulu, Hawaii 96814-2512  
Phone: (808) 973-9600 FAX: (808) 973-9613

SCOTT E. ENRIGHT  
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER  
Deputy to the Chairperson

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

**BEFORE THE HOUSE COMMITTEE ON HOUSING**

**FEBRUARY 28, 2017  
10:30 A.M.  
CONFERENCE ROOM 423**

**HOUSE BILL NO.778 HD2  
RELATING TO AGRICULTURE**

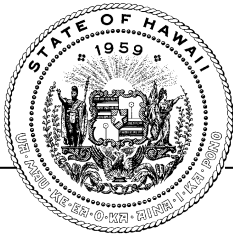
Chairperson Brower and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 778 HD2 that amends Chapter 205 to allow for residential housing on agricultural lands with Land Study Bureau Overall Productivity Ratings of "C", "D", and "E", with dwelling unit densities ranging from 2 units on a one-acre lot to 5 units on a lot 10 acres or greater, and each county authorized to prohibit or limit such residential dwelling units to certain areas of the county. Residential dwellings are not allowed on designated Important Agricultural Lands, or agricultural lands with "A" or "B" soils. The Department of Agriculture understands the issue at hand, however respectfully opposes this measure.

This measure states that single-family dwellings can be built on land classified within the Agricultural District without showing the connection with a farm, or where agricultural activity provides income to the family occupying the dwelling. Long-standing State and County planning and zoning laws are contradicted with this measure and we respectfully ask that this measure be deferred.

Thank you for the opportunity to comment on this measure.





**OFFICE OF PLANNING  
STATE OF HAWAII**

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**DAVID Y. IGE**  
GOVERNOR

**LEO R. ASUNCION**  
DIRECTOR  
OFFICE OF PLANNING

Statement of  
**LEO R. ASUNCION**  
Director, Office of Planning  
before the  
**HOUSE COMMITTEE ON HOUSING**  
Tuesday, February 28, 2017  
10:30 AM  
State Capitol, Conference Room 423

in consideration of  
**HB 778, HD 2**  
**RELATING TO AGRICULTURE.**

Chair Brower, Vice Chair Nakamura, and Members of the House Committee on Housing.

The Office of Planning (OP) opposes HB 778, HD 2 which proposes amendments to Hawaii Revised Statutes (HRS) § 205-2(d) to allow multiple dwellings on agricultural lots with an overall productivity rating of C, D, or E, and would not be required to be accessory to agricultural activities. The measure also allows the Counties to prohibit these dwellings or to limit these dwellings only to certain areas of the county. HB 778, HD2 would permit two dwellings on a minimum lot of one acre; three dwellings on a lot from three to five acres; four dwellings on a lot from five to up to ten acres; and lastly five dwellings on a lot of ten or more acres in size.

We understand that the purpose is to provide additional housing at a low cost, however, the existing law already allows for farm dwellings and farm worker housing. Reclassification of land from the State Land Use Agricultural to the Urban or Rural District is the proper course of action to enable residential development. OP is concerned that the allowance of residential dwellings not tied to agricultural activities will significantly expand non-agricultural uses within the approximately 1,700,000 acres (91%) of lands with these lower productivity soil ratings within the State Land Use Agricultural District.

Allowing a proliferation of non-agricultural uses in the State Agricultural District could lead to the decline of agriculture due to farmers' disinvestment in their farm operations in anticipation of development. Land values would increase due to the residential allowance, making it more costly for farmers to acquire land for agricultural production. Rural sprawl would make it more difficult and costly for both the county and the State to provide public services and infrastructure including roads, water, sewer, and public schools.

Thank you for the opportunity to testify on this measure.

Harry Kim  
Mayor



Michael Yee  
Director

Daryn Arai  
Deputy Director

West Hawai'i Office  
74-5044 Ane Keohokalole Hwy  
Kailua-Kona, Hawai'i 96740  
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**County of Hawai'i**  
PLANNING DEPARTMENT

East Hawai'i Office  
101 Pauahi Street, Suite 3  
Hilo, Hawai'i 96720  
Phone (808) 961-8288  
Fax (808) 961-8742

February 27, 2017

The Honorable Representative Tom Brower, Chair  
and Members of the Committee on Housing  
Hawai'i State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

Dear Chair Brower and Committee Members:

**SUBJECT: HB 778, HD2, Relating to Agriculture  
Testimony in Opposition  
Submitted by: Planning Director, Michael Yee  
Hearing: February 28, 2017, 10:30am**

---

The County of Hawai'i would like to offer its strong objection to HB 778 HD2, which would amend the State Land Use Law to allow multiple dwelling units within the State Land Use Agricultural District for lots with Land Study Bureau (LSB) soil classification ratings of C, D, or E and which would not require such dwelling units to be accessory to agricultural activities.

We think that the best way to highlight our concerns regarding this bill is to provide your committee with hard numbers which would illustrate why the use of marginal agricultural lands to address the crisis in homelessness and the lack of affordable housing is, with all due respect, contrary to the intent and purpose of the State Land Use and County Zoning laws that seek to manage Agricultural lands for agricultural purposes. Note that the County of Hawai'i, due to its age, has limited amount of Class B and no Class A soils.

For the County of Hawai'i, the total number of Agricultural-designated parcels islandwide that would be affected by this bill is 41,835 parcels, or 31% of all the parcels located within this county. Of these Agricultural-designated parcels, 32,890 parcels are situated within the Puna and Ka'u Districts and within substandard (non-confirming) subdivisions, representing 79% of the 41,835 or 24% of parcels located within the county.

More detailed numbers for districts of Puna and Ka'u, which would be most drastically affected by this bill:

- Total parcels affected: 32,890

- Total existing dwelling units (du): 8,895 du
- Total allowable NEW units under existing codes: 23,995 du
- **Total allowable NEW units under proposed bill: 69,083 du = 287% increase**

Our strong objection to this bill can be best conveyed by listing them below:

- The County does not desire or see the need to increase housing densities in rural or agricultural areas and in its non-confirming subdivisions.
- The Bill does not require connection to agricultural use/activity or sustenance/income for those living on the property.
- Although the latest amendment to the Bill would allow the counties to prohibit or limit such dwellings to certain areas, it is not clear how the counties would do this (i.e. by ordinance) or if the counties would maintain any authority to regulate such dwelling units via its local zoning and building codes, particularly in regards to public health, safety, and welfare.
- There are many known productive agricultural activities that are well suited for and employed on soil classification ratings of C, D, and E, including but not limited to aquaponics, greenhouses, floriculture, aquiculture, papaya, etc.
- The proposed increase in dwelling capacity would exacerbate the issue of residential developments and likely subdivisions on agricultural land, thereby increasing non-agricultural activities on the very land that the counties are trying to manage for agricultural purposes. This can result in an increase in property values, making it more difficult for farmers to purchase land.
- The increase in rural sprawl would increase the demands and cost on the county to provide essential/emergency services.
- A majority of the affected parcels are in Lava Flow Hazard Zones 1 and 2, which are most susceptible to lava inundation and have limited redundancy in emergency/evacuation access.
- In addition, these areas and affected parcels have limited to no utilities, county/emergency services, and commercial/mixed use centers within these rural and agricultural areas.
- They have limited access to public highways, and most of the existing roadways are private and substandard. The County already has inordinate public pressure to take over these private roads, which would increase further with added residential growth and densities in these substandard rural and agricultural areas.

The Honorable Representative Tom Brower and Committee Members

Page 3

February 27, 2017

- The County General Plan and community development plans' objectives and policies are consistent in their call to increase density in urban centers, to expand infrastructure where it already exists, to decrease residential sprawl, and to preserve agriculture land for productive agriculture.
- The County already has systems in place (additional farm dwellings, special permit, etc.) that allow for multiple farm dwellings in areas where such farm worker residential accommodations can be considered and managed.

As you can see, our concerns are grave and many. We ask your Committee to carefully weigh the significant potential impacts this bill, if adopted, will have upon this county and all islands statewide, and we encourage the Committee to not support this bill.

Sincerely,



MICHAEL YEE  
Planning Director

cc: Office of the Mayor



February 26, 2017

From: George S. Massengale  
To: House Committee on House  
Date: Hearing February 28, 2017 at 10:30 A.M.  
Subj: HB778, HD2, Relating to Agriculture

### **TESTIMONEY IN SUPPORT**

Chair Brower, Vice Chair Nakamura and members to the Committee on Housing. I am here today on behalf of Hawaii Habitat for Humanity Association, and our seven Habitat affiliates located throughout the state, to testify in support of HB778, HD2.

In reviewing this measure, we find that there is much to support. All of our Habitat affiliates have built homes on lands that were once used for agricultural purposes. Permitting the construction of affordable homes on marginal agricultural lands would provide our affiliates the opportunity to develop additional housing, as well as potential farming related income opportunities the new owners.

In closing we would ask that you move this bill forward. HB778, HD2 is very good example of a common sense measure that will increase home ownership opportunities for low to moderate income families throughout our state.

Respectfully,

A handwritten signature in black ink, appearing to read "G. Massengale".

George S. Massengale  
Director, Community Engagement

**HB778 HD2**  
**RELATING TO AGRICULTURE**  
House Committee on Housing

February 28, 2017

10:30 a.m.

Conference Room 423

The Office of Hawaiian Affairs (OHA) **OPPOSES** HB778 HD2. This bill would expressly authorize non-agricultural residential land use within the agricultural district, in conflict with well-founded state policy to “conserve and protect agricultural lands” and to “increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands” for agricultural purposes.<sup>1</sup> By doing so, this measure has a high potential to increase our energy and food insecurity,<sup>2</sup> and thereby exacerbate the high cost of living that impacts our residents’ ability to afford housing, as well as their overall quality of life.

**OHA appreciates this bill’s intent to address Hawai’i’s housing crisis; however, allowing non-agricultural residential uses on agricultural lands may actually serve to exacerbate our housing challenges.**<sup>3</sup> The residential development of agricultural lands, though highly profitable to land speculators and developers, has and continues to compromise our farmers’ ability to afford agricultural leases and otherwise engage in farming activities throughout the islands; this concern was the impetus behind the Legislature’s original prohibition of non-agricultural dwellings in the agricultural district, and continues to persist in the approval of agricultural district uses and developments that do not involve bona fide agricultural activities.<sup>4</sup> Mandating that non-agricultural residential uses be permissible in the agricultural district may open the door to even greater levels of land speculation, higher agricultural land and lease prices beyond what farmers can afford, and the further loss of our islands’ agricultural potential.<sup>5</sup> **The resulting increase in our food and energy insecurity<sup>6</sup> may in turn compromise the State’s ability to mitigate Hawai’i’s high and growing cost of living,<sup>7</sup> which directly impacts our residents’ ability to pay for housing.** Notably, the Legislature itself

<sup>1</sup> Haw. Stat. Con. Art. XI Sec. 3.

<sup>2</sup> Annual Report on the Agricultural Development and Food Security Special Fund (2012); *See also* Act 73 Session Laws of Hawai’i 2010.

<sup>3</sup> State of Hawai’i Office of Planning State Land Use System Review Report (2015); *See* “[o]ver the years, the permissible uses for the Agricultural District have been amended repeatedly to broaden uses allowed in the Agricultural District – from 5 uses in 1965 to 21 uses currently – which has weakened the nexus to agricultural production and bona fide farming[.]” *available at* [https://planning.hawaii.gov/wp-content/uploads/2015/05/SLU-Review-Report\\_FINAL-DRAFTv2\\_05-05-2015\\_POSTED\\_TO\\_WEB.pdf](https://planning.hawaii.gov/wp-content/uploads/2015/05/SLU-Review-Report_FINAL-DRAFTv2_05-05-2015_POSTED_TO_WEB.pdf).

<sup>4</sup> Honolulu Star Advertiser, Measures Target Abuse of Ag Land, February 26, 2017; *available at* <http://www.staradvertiser.com/2017/02/26/hawaii-news/measures-target-abuse-of-ag-land/>.

<sup>5</sup> State of Hawai’i Office of Planning State Land Use System Review Report (2015).

<sup>6</sup> *Id.*

<sup>7</sup> Noting that over 85% of food in Hawai’i is imported and that transportation costs are a significant factor in the cost of food. This directly correlates to Hawai’i’s high cost of living; *See* Office of Planning, Department of Business Economic Development & Tourism, Department of Agriculture, Increased Food Security and Food Self-Sufficiency Strategy (2012).



has recognized “that it is in the best interests of Hawai‘i’s people to build the capacity we need to become self-sufficient in our energy and food needs and to protect the health and function of our environment.”<sup>8</sup>

OHA appreciates that HB778 HD2 contemplates facilitating agricultural production by allowing farmers to reside on their farmed property, noting, for example, that a farmer’s “absence from the farm makes the farm susceptible to theft.” **However, current state law already provides for the development of farm dwellings, employee housing, farm dwelling clusters within agricultural parks, agricultural tourism accommodations, and plantation community subdivisions in the agricultural district.**<sup>9</sup> Current law only ensures that homes constructed upon agricultural lands are occupied for purposes relating to agriculture. HB778 HD2 would mandate the development of completely non-agricultural related dwellings on agricultural lands, which, for the reasons discussed above, may in fact serve to lower our islands’ overall agricultural production.

**HB778 HD2 also appears to undervalue the productivity and agricultural value of certain agricultural lands, based on its reliance on an antiquated soil classification system.**

The Land Study Bureau’s (LSB) land classification system referenced in this measure was conducted between the years 1965-1972, and assessed agricultural land productivity for specific types of crops.<sup>10</sup> It is highly unlikely that the LSB’s classification system considered the agricultural productivity of lands based on newer agricultural models, or the potential of some of Hawai‘i’s oldest staple crops now being broadly consumed, such as kalo (taro). Notably, kalo is a crop highly valued by Native Hawaiians for its cultural significance and paramount health benefits, and was once cultivated on a wide enough scale to substantially support an island population of up to a million or more residents. **Nevertheless, some of the most productive agricultural lands used for the farming of wetland kalo have been rated class C, D, and E – those very lands considered by HB778 HD2 to be “less-important agricultural land.”** For example, on the island of O‘ahu, class C and D agricultural lands that comprise almost the entirety of Waiāhole and Waikāne continue to support the subsistence lifestyle of kalo farmers who model the self-sufficiency and sustainability of a traditional Native Hawaiian ahupua‘a management system. In the 45 years since the LSB’s study, other agricultural practices have also advanced far beyond the contemplation and consideration of the LSB’s original classifications. **Dismissing the importance of otherwise highly-viable agricultural lands based on an antiquated classification model is a slippery slope that may undermine well-founded state policy in food and energy independence, and further corrode Hawai‘i’s capacity to sustain itself.**

Therefore, OHA urges the Committee to **HOLD** HB778 HD2. Mahalo for the opportunity to testify on this measure.

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<sup>8</sup> Act 73, Session Laws of Hawai‘i 2010.

<sup>9</sup> Haw. Rev. Stat. Sec. 205-4.5.

<sup>10</sup> The available Land Bureau Study’s Detailed Land Classification report did not specify the type of crops, however, sugar cane was as peak productivity in 1966 and corn research began in 1968. See HAWAI‘I STATE DEPARTMENT OF AGRICULTURE, HISTORY OF AGRICULTURE IN HAWAII (2013); available at <http://hdoa.hawaii.gov/wp-content/uploads/2013/01/HISTORY-OF-AGRICULTURE-IN-HAWAII.pdf>.

**LATE**

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2017 3:56 PM  
**To:** HSGtestimony  
**Cc:** dale@hicattle.org  
**Subject:** \*Submitted testimony for HB778 on Feb 28, 2017 10:30AM\*

**HB778**

Submitted on: 2/27/2017

Testimony for HSG on Feb 28, 2017 10:30AM in Conference Room 423

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dale Sandlin	Hawaii Cattlemens Council	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

**LATE**

Chair Brower:

I am writing in support of HB 778 that proposes an additional partial solution to our absolutely devastating housing crisis.

I am writing as a private individual who has lived on Class D land for 25 years in Hawaii and understand the challenges of trying to produce agricultural products on very poor land with no county water.

I realize that this proposal is outside the box, but at this point many of our citizens are literally living in boxes or cheap tents, the modern equivalent.

In the original form of this bill I wanted to give ALL counties the opportunity to take advantage of the proposed changes to our law that this bill provides.

It is clear that there is little will to support the proposed changes outside Hawaii Island so I propose that the bill be changed to allow those changes only on Hawaii Island.

The bill currently allows any county to opt out or limit the parts of the county that these changes would apply to and this would also apply even if it was restricted to Hawaii Island/County.

We give lip service to protecting our agricultural land, we talk about food security, but then we approve vast subdivisions on Oahu that cover some of our best agricultural land.

This bill does not change the status of land with productivity category A or B.

The bills allowing solar on Ag land does allow solar on A and B but limits the percentage of the land covered by solar. It does not limit the coverage for the classes of land addressed in this bill, classes C, D and E. At this time, those lands could be covered with solar with no relation to agriculture.

The amount of land allowed by the few additional houses proposed here would be a small fraction of the land.

The LUC proposes a potentially massive conversion to rural status, but rural status allows ½ acre lots. That could cut up agricultural land and make it very unlikely that it would ever be used for agriculture.

I personally have seen the immense cost of taking land classified D and making it useful for agriculture. The usual use of these lands is pasture, but removing the omnipresent invasive trees is very expensive and pasture would never yield any return on investment.

There is not enough soil to do truck crops or row crops on these soils.

It can be made suitable for orchard crops by:

1. Clearing the land of trees at great expense: >\$200/hr for a dozer.
2. The soil must be pushed aside for the next step
3. The underlying rock must be ripped to allow for adequate root penetration
4. The ripped rock must then be regraded to allow for maintenance.
5. The removed precious soil must then be pushed back over the graded rock to form a hopefully mowable surface.

6. Holes must then be dug for trees

7. The soil such as it is must then be tested and amended to make it fertile

8. Most of these soils have no county water available, meaning rainfall is the only source, which can severely limit what can be grown.

There is absolutely no way that a return on your investment can be achieved with any existing agriculture crop except perhaps cannabis.

The housing that is proposed could be used for agricultural workers, but most people would need years of income from the proposed rental housing to allow the land reforming needed for agriculture.

So, what currently occurs?

Marginal agricultural land is purchased. The one allowed dwelling is built. The owner has to work off the farm to pay for the land and the house. There is not enough income to pay for making the land usable except perhaps for a small garden.

In my personal case, I was a physician and my wife was a nurse. We did expend unreasonable sums of money to make a portion of our land productive. We receive almost no return on our investment except the satisfaction of growing our own food. We do not live in a mansion, but in a 550 square foot one bedroom, one bath house, which we share with our three dogs and six cats. We now have some surplus produce from our citrus orchards that my wife laboriously harvests by herself and donates to the local food bank or church.

I gave a presentation to an aspiring farmers groups yesterday in Ka'u. there were about 75 people present and this bill was presented to them. One couple had helped write the "tiny homes" bill that Cindy Evans is proposing.

The response to HB bill 778 was overwhelmingly, unanimously positive.

This bill would provide for additional housing WITHOUT cutting up farms into ½ acre lots.

It would provide for a farm community which could provide housing for young families who want to live in a farm setting but who could never afford a farm in Hawaii, for elderly who want to retire and rent a home on a farm and perhaps have a garden, for veterans who have been damaged by their service and want a peaceful inexpensive place where they can heal and perhaps grow some of their food. For young farmers who want to try out farming and see if they want to move on and make the effort and sacrifice to do it on their own. Those who live on the farm could help run a farm stand, an on-farm restaurant, perhaps a bed and breakfast, or other agritourism operations. They could help to get the farm productive over time by contributing their labor and their rent.

I would not object to having limitations on short term rentals (i.e. restricting these additional dwellings, or at least half of any such dwellings to long-term rentals to Hawaii residents as that would be desirable from the farmer's standpoint.

Agricultural theft is a huge problem and as most farmers have to work off the farm, there is often no one present to protect whatever is grown, a disincentive to even trying to grow anything.

I would not object to perhaps a 5 year sunset on these provisions. Perhaps the housing crisis would be ameliorated. I doubt it. I think 5 years would give an opportunity to see what would happen.

I strongly feel that this bill should be passed for further discussion in the Senate. There is no Senate companion. Put in a defective date to ensure a further house review.

I think with the proposed changes this is a viable bill and one that the governor could sign.

Thank you for any consideration of these modifications and comments.

Richard P. Creagan



P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail info@hfbf.org; www.hfbf.org

February 28, 2017

HEARING BEFORE THE  
HOUSE COMMITTEE ON HOUSING

**TESTIMONY ON HB 778, HD2**  
RELATING TO AGRICULTURE

Room 423  
10:30 AM

Aloha Chair Brower, Vice-Chair Nakamura, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFB **opposes HB 778, HD2, as amended**, adding single family dwelling on certain lands without agriculture as an allowable use in the ag district.

HFB recognizes the need for housing. We also recognize that agriculture was the catchall land category and lands that may not be the best for agriculture are within the ag district.

However, agriculture has evolved. Soil classification no longer is a primary determinant of good agricultural lands. Green houses, hydroponics, aquaculture, aquaponics are just a few of the types of agriculture that occur on Class C, D or E lands. Some of the best floriculture and hydroponic operations are on these lands. In these cases, the environment, rainy cool or dry and cool climates make it best for the particular crops. The soil type or existing terrain does not impact the operation. While these opportunities exist, residential type developments comingled with these operations can cause problems.

HFB strongly recommends a streamlined process to reclassify these lands to Rural upon recommendation by the Counties. The rural designation was created to be the interface between agriculture and urban districts. Rural has been described as:

"Rural districts include activities or uses characterized by a density of one house per one-half acre in areas absent of "city-like" concentration of people, structures, streets and urban level of

services and where there exists an intermixture of small farms with low density residential lots.”

<http://lrbhawaii.info/lrbrpts/70/landuse.pdf>

Counties have the freedom to define the size of lots in the rural district. R5, R10, or R25 can define the smallest lot size permissible to maintain the open space feature that may be the vision for the area. These lots would be prohibited from being further subdivided. It is not a gateway to urban development.

We agree there is an urgency to address Hawaii’s need for housing. We strongly recommend a statewide working group including agriculture and all the counties to explore the feasibility of a one time rural reclassification of lands.

HFB appreciates the opportunity to comment on this measure. We respectfully request amending the language in this bill to create a working group to explore the role of rural as a way to protect our core agricultural lands.

Thank you for this opportunity to provide comment on this important subject.



**HOUSE COMMITTEE ON HOUSING**

Tuesday, February 28, 2017 10:30AM Room 432  
In **OPPOSITION** **HB778** Relating to Agriculture

**LATE**

Aloha Chairman Brower and members of the Housing Committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai‘i **STRONGLY OPPOSES HB778**, which would fuel the urbanization of agricultural districts by authorizing housing to be built on agricultural land without the oversight of the Land Use Commission.

Since 1968, the Sierra Club of Hawai‘i has been working to protect the unique natural and cultural resources of our islands. We continue to fight hard to defend our agricultural districts from urbanization.

We urge you to not pass this bill as proposed because it risks urbanization for over 90% of lands designated for agriculture in Hawai‘i with almost no oversight from state or county agencies. Protecting agricultural lands from urbanization is the single-most important thing the Legislature can do to improve the local, diversified agriculture economy.

**Low-rated soil does not mean it is not farmable land**

It is a mistake to consider agricultural lands with C, D, or E ratings as lands suitable only for development. We have learned from harding working farming operations on the Wai‘anae coast, like MA‘O Farms, that low-rated soil becomes high-rated soil when combined with water and proven farming techniques. We know that soil ratings can change depending on circumstances. We also know that a wide variety of important agricultural activities occur on not-prime agricultural land, such as ranching.

**Keeping like-uses together makes farming more successful**

We know that actual farming is more successful when done amongst other compatible land uses and not fragment amongst other competing uses, such as housing. Farmers are increasingly complaining that they cannot find open farmland available for long-term lease. “As suburban sprawl moves people closer to agricultural areas, conflict is inevitable. So, while we may have plenty of farmland available, the people of Hawaii are less and less likely to want large-scale farming in their neighborhoods. That makes the question, “Do we have enough land?” something of a red herring.”<sup>1</sup>

Moreover, our recent history of urbanization in and around farms has demonstrated how urban sprawl harms nearby farms. Passing HB778 would introduce new urban land uses into the agricultural district without recognizing these additional commercial uses create additional competition (that may yield a greater profit) and reduce the amount of land available for actual farming.

**Passing HB778 would contradict Haw. Rev. Stat. §205 and our constitution**

<sup>1</sup> <http://www.hawaiiibusiness.com/can-hawaii-feed-itself/>



The Hawai'i State Constitution Article 11, Section 3 mandates:

The State shall conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands.

Haw. Rev. Stat. Chapter 205, serves to protect agricultural lands. In passing this law, the Senate noted:

The purpose of this bill is to preserve and protect land best suited for cultivation, forestry and other agricultural purposes and to facilitate sound and economical urban development in order to promote the economy and general welfare of the state, and to insure the efficient expenditure of public funds. . . .

***The state's highly productive agricultural lands are jeopardized by normal economic laws which encourage land owners to place their own particular pieces of land to the most profitable current use for which they can find a market.*** Long term agricultural leases are expiring annually. Because of the pressure for urbanization the land owners are reluctant to continue long term renewals of such leases, and the lessee is therefore discouraged to develop the land to its maximum agricultural production. ***If exclusive agricultural zones are not established to preserve and protect prime agricultural lands from infringement by non-agricultural uses, the possibility of land speculation through inflated or artificial land prices may jeopardize the existence of major agricultural companies or activities.*** The most effective protection of prime agricultural lands, preservation of open space and direction of for urban growth, is through state zoning.

S. Stand.Comm.Rep. No.937, 1961 Senate Journal 883 (emphases added).

HB778 directly contradicts this mandate by introducing new permitted uses in the agricultural district without protecting farmland from urbanization.

For these reasons we urge you to avoid increasing uses permitted in agricultural districts and instead invest in local farmers and support local, diversified agriculture.

Thank you very much for this opportunity to provide testimony on this important issue.

Mahalo,

Marti Townsend  
Director