JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
FAX: (808) 587-0600

Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

February 05, 2025 at 9:00 a.m. State Capitol, Room 430

In consideration of H.B. 1013
RELATING TO IMPORTANT AGRICULTURAL LANDS.

Chair Evslin, Vice Chair Miyake, and members of the Committee.

HHFDC <u>supports</u> HB 1013, which repeals the provision authorizing farm dwellings and farm employee housing on important agricultural lands, amends the provision for priority permit processing to include farm cluster housing, and adopts a new provision establishing farm cluster housing to incentivize the designation of lands as important agricultural lands pursuant to chapter 205, HRS.

HHFDC shares the Legislature's concerns about the lack of farm dwellings and farm employee housing and its negative impact on agricultural production in Hawaii. This bill would allow farm cluster housing on important agricultural lands and help to increase the supply of housing for farmers and agricultural workers.

Thank you for the opportunity to testify on this bill.



STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D.

SYLVIA LUKE LT. GOVERNOR

MARY ALICE EVANS

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846 Fax: (808) 587-2824 Web: https://planning.hawaii.gov/

Statement of MARY ALICE EVANS, Director

before the HOUSE COMMITTEE ON HOUSING

Wednesday, February 5, 2025 9:00 AM State Capitol, Conference Room 430

in consideration of HB 1013 RELATING TO IMPORTANT AGRICULTURAL LANDS.

Chair Evslin, Vice Chair Miyake, and Members of the Committee.

The Office of Planning and Sustainable Development (OPSD) **strongly supports** HB 1013, an Administration bill, which repeals Hawai'i Revised Statutes (HRS) § 205-45.5, and adds a new section enabling the development of farm cluster housing for farmers and farm employees on lands designated as Important Agricultural Lands (IAL) pursuant to HRS Chapter 205.

HRS § 205-4.5, a provision for landowners of IAL lands to develop, construct, and maintain farm dwellings and employee housing for farmers, employees, and their immediate family members, was one of several IAL incentives established by Act 233, Session Laws of Hawai'i 2008. This section has been interpreted to require all occupants, including child family members to be actively engaged in farming, which was perceived as a disincentive for the designation of IAL lands. Furthermore, the existing provision does not provide any relief from urban-like development standards and permitting requirements that may not be suitable for farm housing.

HB 1013 provides an option for farm cluster housing in support of farming operations on IAL lands that would: reduce the development and infrastructure costs of such housing, reduce the footprint and amount of agricultural land used for housing, and safeguard that the housing was occupied by bona fide farmers and farm employees. OPSD believes the new section strikes a balance between meeting the need for affordable farm worker housing and protecting the State's most productive agricultural lands from non-agricultural residential use.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWADeputy to the Chairperson

State of Hawai'i **DEPARTMENT OF AGRICULTURE**

KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON HOUSING

WEDNESDAY, FEBRUARY 5, 2025 9:00 AM CONFERENCE ROOM 430

HOUSE BILL NO. 1013
RELATING TO IMPORTANT AGRICULTURAL LANDS.

Chair Evslin, Vice Chair Miyake and Members of the Committee:

Thank you for the opportunity to provide testimony on House Bill No. 1013. The Department of Agriculture supports this measure that repeals the existing provision for farm dwelling and farm employee housing on Important Agricultural Lands and adopts a new provision for farm cluster housing as an incentive for the designation of agricultural lands as Important Agricultural Lands pursuant to Chapter 205.

Thank you for the opportunity to present our testimony.





DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI

JAMES KUNANE TOKIOKA

DANE K. WICKER
DEPUTY DIRECTOR

SYLVIA LUKE

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

A HOʻOMĀKAʻIKAʻI

Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of

JAMES KUNANE TOKIOKA Director

Department of Business, Economic Development and Tourism before the

HOUSE COMMITTEE ON HOUSING

Wednesday, February 5, 2025 9:00 AM State Capitol, Conference Room 430

In consideration of

HB 1013

RELATING TO IMPORTANT AGRICULTURAL LANDS.

Chair Evslin, Vice Chair Miyake, and Members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) **supports** HB 1013, an Administrative proposal, which would enable the development of farm cluster housing for farmers and farm employees on lands designated as Important Agricultural Lands (IAL) pursuant to Chapter 205, Hawai'i Revised Statutes (HRS).

HB 1013 adds a new section for farm cluster housing for IAL lands that would replace the existing provision for farmer housing in § 205-45.5 that was enacted as part of an IAL incentives package in 2008. The new section is intended to reduce the development footprint and cost of farmer and farm worker housing and ensure that farm cluster housing is occupied by farmers and farm employees of farming operations on lands designated as IAL.

Thank you for the opportunity to testify.

ATE *Testimony submitted late may not be considered by the Committee for decision making purposes.



LAND USE COMMISSION

Komikina Hoʻohana ʻĀina

JOSH GREEN, MD GOVERNOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Ka ʻOihana Hoʻomōhala Pāʻoihana, ʻImi Wai wai a Hoʻomākaʻikaʻi

DANIEL E. ORODENKER EXECUTIVE OFFICER

(808) 587-3827

luc.hawaii.gov

Telephone: (808) 587-3822

Fax:

Website:

235 S. Beretania Street, RM 406, Honolulu, Hawai'i 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Email Address: dbedt.luc.web@hawaii.gov

Statement of Daniel E. Orodenker **Executive Officer**

Before the **House Committee on Housing**

State Land Use Commission

Wednesday February 5, 2025 9:00 AM State Capitol, Room 430 and Video Conference

> In consideration of **HB1013**

RELATING TO IMPORTANT AGRICULTURAL LANDS

Chair Evslin; Vice Chair Miyake; and members of the House Committee on Housing:

The proposed measure would establish an incentive to develop housing for farmers and farm employees on Important Agricultural Lands ("IAL").

The Land Use Commission has not taken an official position on the measure at this time.

Thank you for the opportunity to testify on this matter.

JOSH GREEN, M.D.

GOVERNOR

SYLVIA LUKE Lt. Governor



WENDY GADY EXECUTIVE DIRECTOR

STATE OF HAWAI'I

AGRIBUSINESS DEVELOPMENT CORPORATION

HUI HO'OULU AINA MAHIAI

TESTIMONY OF WENDY L. GADY EXECUTIVE DIRECTOR AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE HOUSE OF REPRESENTATIVES COMMITTEE ON HOUSING
February 05, 2025
9:00 a.m.
Conference Room 430 & Videoconference

HOUSE BILL NO. 1013 RELATING TO IMPORTANT AGRICULTURAL LANDS

Chairperson Evslin, Vice Chair Miyake, and Members of the Committee:

The Agribusiness Development Corporation (ADC) <u>supports</u> House Bill 1013, which would enable the development of farm cluster housing for farmers and farm employees on lands designated as Important Agricultural Lands (IAL) pursuant to Chapter 205, Hawai'i Revised Statutes (HRS).

Farm cluster housing can provide greatly improved access to amenities, cost savings in shared infrastructure development, improved market access, and increased productivity while facilitating community building and potentially optimizing land use for farming operations. ADC believes the proposed measure supports the need for affordable farm worker housing while also shielding prime agricultural lands from non-agricultural residential development.

Mahalo for the opportunity to submit testimony in strong support of this measure.

DEPARTMENT OF PLANNING AND PERMITTING KA 'OIHANA HO'OLĀLĀ A ME NĀ PALAPALA 'AE CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-8000 • FAX: (808) 768-6041 • WEBSITE: honolulu.gov/dpp

RICK BLANGIARDI MAYOR



February 5, 2025

DAWN TAKEUCHI APUNA DIRECTOR PO'O

BRYAN GALLAGHER, P.E. DEPUTY DIRECTOR HOPE PO'O

REGINA MALEPEAI 2ND DEPUTY DIRECTOR HOPE PO'O KUALUA

The Honorable Luke A. Evslin, Chair and Members of the Committee on Housing Hawai'i House of Representatives Hawai'i State Capitol 415 South Beretania Street Honolulu, Hawai'i 96813

Subject: House Bill No. 1013

Relating to Important Agricultural Lands

Dear Chair Evslin and Committee Members:

The Department of Planning and Permitting (DPP) **offers comments** on House Bill No. 1013, which repeals the provision authorizing farm dwellings and farm employee housing on Important Agricultural Lands (IAL), amends the provision for priority permit processing to include farm cluster housing, and adopts a new provision establishing farm cluster housing to incentivize the designation of lands as IAL, pursuant to Hawai'i Revised Statutes (HRS), Chapter 205.

While the City supports incentives for the designation of IAL and for increasing affordable housing for farmers and farm employees, legislation needs to be crafted to balance the provision of housing and preserving and using agricultural land for its intended purpose. Furthermore, we believe that farm cluster housing would mostly be developed by large landowners with the financial capacity to see such projects through. On Oʻahu, large landowners have already voluntarily designated their lands as IAL. What is needed is an IAL incentives package that benefits both large and small landowners of agricultural land. We note that the latter comprised the majority of opposition to the City and County of Honolulu's petition to the Land Use Commission for IAL designation.

We support the repeal of Section 205-45.5, HRS, which was intended to be an incentive for IAL landowners, but in reality created uncertainty around whether IAL designation imposes a removal of development rights or enacts a regulatory change.

The Honorable Luke A. Evslin, Chair and Members of the Committee on Housing Hawai'i House of Representatives House Bill No. 1013
February 5, 2025
Page 2

However, we maintain that specific development standards should be determined by the counties. Development regulations codified in HRS and in the Revised Ordinances of Honolulu will often have inconsistencies, leading to confusion and ultimately serving as a barrier to the very objectives we collectively are to achieve. As you may know, the City and County of Honolulu recently adopted Ordinance 25-02, which amends the Land Use Ordinance, including the definition of farm worker housing, agricultural clusters, and related development standards.

Lastly, this Bill also places an administrative burden on the counties by requiring a special type of permit, prioritized permit processing, adoption of an ordinance, determination of eligibility, and use regulation enforcement.

Thank you for the opportunity to testify.

Very truly yours,

Dawn Takeuchi Apuna Director Designate



February 3, 2025

To: Chair Evslin, Vice Chair Miyake, and Members of the Committee,

Subject: **HB 1013**, Incentivizes Designation of Lands as Important Agricultural Lands.

Aloha,

I am writing in **support** of HB 1013, which provides opportunity and regulations in conjunction with affordable housing for the farmers of Hawai'i.

This bill regulates the allowance of residential buildings placed on agricultural lands, ensuring those taking care of the āina are also those being housed on the āina. This bill helps to ensure that farmers can afford to be farmers, while continuing to strengthen the Hawai'i food systems.

The regulations presented by HB1013 ask to keep housing to no more than 5% of the total land, and/or no more than 10 acres, this ensures the majority of the land stays agricultural land, as opposed to majority cluster housing on land that claims to be land devoted to agriculture. The bill also rejects renting cluster housing as vacation rentals, protecting its availability to those who stay on the land. This is important because on average, farmers have a salary of \$48.148, while a living wage for a single adult with no children is \$55,961. Cluster housing for farmers on their designated land could help farmers fill this gap.

As Hawai'i stays importing 95% of our food, Hawai'i also stays at risk from natural disasters, food insecurity, and food accessibility. That being said, it is important to keep and encourage farming as an accessible profession so the people of Hawai'i may be more independent in our food systems for the benefit of the whole.

To be a farmer is to be a steward of the land and a provider for the islands. Having constant accessibility through cluster housing will enable farmers to immediately react to any emergency on the farm, create accessibility to the profession of farming, and ultimately create more housing to the stewards of Hawai'i

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2025, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.



Mahalo, Lea iaea & the Food+ Policy Team #fixourfoodsystem

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In 2025, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.

Officers

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Vincent Kimura Honolulu, Oʻahu

Natalie Urminska Kaua'i



Aloha Chair Evslin, Vice Chair Miyake, and Members of the House Housing Committee.

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU supports HB1013.**

By repealing the blanket provision for farm dwellings and farm employee housing and replacing it with a structured farm cluster housing model, this bill addresses both the need for agricultural land conservation and the practical housing needs of farmers and farm workers. This shift ensures that housing solutions are better aligned with the goals of productive land use and the preservation of agricultural capacity, while also providing flexibility and adaptability for Hawaii's farmers.

The inclusion of farm cluster housing within priority permit processing reflects a proactive strategy to streamline operations for agricultural communities. This model not only supports the creation of community-oriented farm residences but also facilitates communal farming endeavors, which are vital for fostering collaboration and shared resources among farmers. With these changes, HB1013 emphasizes sustainable living while addressing the economic and logistical realities faced by those who live and work in the agricultural sector, ultimately contributing to a more resilient and thriving agricultural landscape in Hawaii.

Mahalo for the opportunity to testify.

Hunter Heaivilin Advocacy Director Hawai'i Farmers Union



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 5, 2025

HEARING BEFORE THE HOUSE COMMITTEE ON HOUSING

TESTIMONY ON HB 1013 RELATING TO IMPORTANT AGRICULTURAL LANDS

Conference Room 430 & Videoconference 9:00 AM

Aloha Chair Evslin, Vice-Chair Miyake, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 1013, which repeals the provision authorizing farm dwellings and farm employee housing on important agricultural lands, amends the provision for priority permit processing to include farm cluster housing, and establishes a new provision for farm cluster housing to incentivize the designation of lands as important agricultural lands (IAL) pursuant to Chapter 205, Hawai'i Revised Statutes.

The identification and designation of Important Agricultural Lands was first proposed at the 1978 Constitutional Convention and subsequently approved by voters in the same year. Enacted as Article XI, Section 3, of the Constitution of the State of Hawai'i, the state is required to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency, and assure the availability of agriculturally suitable lands.

Several attempts to establish IAL in statute were made over the years, but it was only in 2005 that Act 183 was enacted. In 2008, Act 233 was passed to establish incentives, such as tax credits, loan guarantees, and expedited regulatory processing to encourage landowners to designate their lands as IAL.

Among these incentives was a provision allowing landowners to develop farm dwellings and employee housing for their immediate family members and employees. However, this provision has led to concerns regarding the appropriate use of IAL, particularly regarding its long-term sustainability and effectiveness in preserving lands for agricultural production. The farm cluster housing approach proposed in HB 1013 is a more structured and intentional way to provide housing options for those engaged in farming while ensuring that IAL remains dedicated to agricultural production.

Many small landowners remain uncertain about how IAL designation impacts their land use and rights. Agricultural landowners are justifiably concerned about the occupancy limits on farm dwellings, particularly those planning to retire on their farms, as they believe IAL law restricts occupancy to those who are actively farming. Some farmers worry that they may be forced to leave their homes once they are no longer physically able to farm. Others had planned to subdivide their land among their adult children but now face uncertainty regarding the approval process under IAL designation. The lack of clarity on these and other issues has caused unease within the agricultural community.

HB 1013 takes a step toward addressing these concerns by shifting the focus from individual farm dwellings to farm cluster housing as an incentive for IAL designation. This approach encourages agricultural viability by ensuring that housing on IAL is linked to active farming operations while providing flexibility for farmers and their employees. Additionally, the measure includes provisions for priority permit processing, which will reduce bureaucratic delays and make the permitting process more efficient for those engaged in agricultural production.

We recommend that the implementation of this measure:

- Ensure that farm cluster housing remains tied to agricultural production and does not inadvertently lead to residential development inconsistent with IAL objectives.
- Provide clear guidelines on how farm cluster housing will be regulated to balance housing needs with agricultural preservation.
- Include outreach and education efforts to help landowners and farmers understand the implications of IAL designation and the benefits of farm cluster housing.

Thank you for the opportunity to testify on this measure.