

MAR 04 2021

---

---

# SENATE CONCURRENT 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  
5

6           WHEREAS, Hawaii island agriculture will continue to be a  
7 stabilizing foundation of the local economy for the foreseeable  
8 future; and  
9

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  
13

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  
22

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  
27

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



1  
2 WHEREAS, the one hundred seventy-nine acre Keahole  
3 Agricultural Park is in consonance with state policy and  
4 complements the existing rural environment, provides employment,  
5 and stimulates the agricultural economy in the area; and  
6

7 WHEREAS, due to constraints in water availability, the  
8 agricultural park has been implemented in phases and one  
9 hundred-plus acres of state-owned land immediately mauka of the  
10 agricultural park remain undeveloped and unproductive; and  
11

12 WHEREAS, the close proximity of the Palamanui Campus of  
13 Hawaii Community College to the Keahole Agriculture Park offers  
14 opportunities for courses in landscape agriculture and  
15 engineering; and  
16

17 WHEREAS, energy and ocean-related research, education, and  
18 commercial aquaculture is centered at the Natural Energy of  
19 Hawaii Authority (NELHA) on three hundred twenty-two acres at  
20 Keahole Point and NELHA provides an opportunity to expand  
21 production of fresh aquaculture food products, promote marketing  
22 of locally grown aquaculture products, provide stable cash flow  
23 for aquaculture farmers, and create a varied and large market  
24 for local aquaculture; and  
25

26 WHEREAS, currently, the County of Hawaii hauls its west  
27 side green waste to Hilo for processing. Instead, nutrient rich  
28 waste products produced by NELHA should be mixed with the County  
29 of Hawaii's abundant green waste to produce a nitrogen-rich and  
30 valuable compost for agricultural park farmers, who struggle to  
31 operate on volcanic lands; and  
32

33 WHEREAS, for the last decade, the Kealakehe Wastewater  
34 Treatment Plant treats and disposes of sewage collected from the  
35 North Kona Sewerage system, which extends across the greater  
36 Kailua-Kona region. Current discharge, rich in nitrogen and  
37 phosphorus, from the plant are approximately 1.8 million gallons  
38 per day and dumped into an open sump from whence it migrates  
39 through groundwater and delivered directly above Honokohau  
40 Harbor and through the adjacent porous shorelines, thereby  
41 resulting in West Hawaii's coastal waters being rated as  
42 impaired by the Department of Health. Treating and reusing the



1 water to irrigate the Keahole Agricultural Park, NELHA, and  
2 resorts and homes in between the two locations can reduce the  
3 demand for freshwater which will help relieve high demand on  
4 high elevation wells and reduce irrigation costs; and  
5

6 WHEREAS, prior to the start of the coronavirus disease 2019  
7 (COVID-19) pandemic, the Department of Transportation's Keahole  
8 Airport had its own wastewater treatment plant that produced an  
9 excess of recycled water to irrigate its airport facilities and  
10 was usable to irrigate neighboring state facilities, including  
11 the Keahole Agricultural Park; and  
12

13 WHEREAS, a 2015 report by the Department of Business,  
14 Economic Development, and Tourism titled "Measuring Housing  
15 Demand in Hawaii, 2015-2025" projected that Hawaii County's  
16 population will grow by twenty-nine per cent by 2025, creating a  
17 forecasted demand for 18,610 additional housing units, which is  
18 approximately thirty per cent of the total projected demand of  
19 64,700 housing units needed across the state; and  
20

21 WHEREAS, the County of Hawaii lacks a comprehensive plan  
22 that defines strategies and target deadlines to create more  
23 housing over the short- and long-term, as well as the kind of  
24 housing that is needed and its location, how to fund critical  
25 infrastructure, ways to foster public-private partnerships,  
26 recommendations to leverage state and federal policy tools and  
27 funding streams, and policy changes to reduce barriers and  
28 obstacles to address the island's housing crisis with a clearly  
29 defined purpose, vision, and values; and  
30

31 WHEREAS, the Department of Hawaiian Home Lands owns six  
32 hundred acres in the Keahole Agricultural Park area. Four  
33 hundred vacant acres are zoned for residential development. One  
34 hundred acres are zoned for agricultural development and one  
35 hundred acres are zoned for commercial development. Development  
36 in this area can contribute to creating a significant number of  
37 homes for Hawaiians on Hawaii island and development in  
38 agricultural and commercial zoned properties will also generate  
39 new and additional revenues for the Department of Hawaiian Home  
40 Lands; and  
41



# S.C.R. NO. 46

1 WHEREAS, the Hawaii Opportunity Zones Program provides  
2 incentives for investors to re-invest realized capital gains  
3 into Opportunity Funds in exchange for temporary tax deferral  
4 and other benefits. The Opportunity Funds are then used to  
5 provide investment capital in certain economically distressed  
6 communities called Opportunity Zones. The Kona area is home to  
7 Opportunity Zone 215.4 and 216.1. The Opportunity Zone  
8 designation makes them extremely attractive to private investors  
9 so these opportunities do not necessarily require state funding  
10 to be realized due to the presence of federal infrastructure  
11 development financing; now, therefore,  
12

13 BE IT RESOLVED by the Senate of the Thirty-first  
14 Legislature of the State of Hawaii, Regular Session of 2021, the  
15 House of Representatives concurring, that the Department of  
16 Agriculture is urged to form an inter-governmental Kona Area  
17 agricultural working group to help navigate opportunities of  
18 agriculture, affordable housing, and economic development  
19 consisting of members of relevant county departments and  
20 agencies to develop and implement a comprehensive plan for the  
21 Kona area; and  
22

23 BE IT FURTHER RESOLVED that the working group is requested  
24 to develop a framework to:  
25

- 26 (1) Improve communication to increase efficiency and  
27 strengthen partnerships between Hawaii County, the  
28 agriculture industry, landowners, and the Hawaii  
29 island community;  
30
- 31 (2) Increase profitability of Hawaii Island's agricultural  
32 businesses through cost reduction strategies and  
33 greater market share for local products;  
34
- 35 (3) Increase the availability and quality of agricultural  
36 education on Hawaii island;  
37
- 38 (4) Secure affordable land with long-term tenure for  
39 farming and ranching and allow for the production of  
40 residential units on Hawaiian home lands;  
41



- 1 (5) Provide adequate and affordable agricultural water for  
2 farmers, livestock producers, and food processors;  
3
- 4 (6) Reduce the cost of energy and fuel for agricultural  
5 producers;  
6
- 7 (7) Maximize transportation infrastructure resources and  
8 minimize transporting green waste within the Kona  
9 area;  
10
- 11 (8) Promote environmental conservation and minimize  
12 discharges of wastewater;  
13
- 14 (9) Facilitate practical, applied research that will  
15 assist farmers in crop and livestock production using  
16 sustainable techniques and establish Hawaii island as  
17 a center for tropical agricultural research; and  
18
- 19 (10) Promote investment opportunities in areas in the  
20 federal Opportunity Zone designation and maximize on  
21 realizing federal infrastructure development; and  
22

23 BE IT FURTHER RESOLVED that the working group's membership  
24 consist of the following members:  
25

- 26 (1) One member of the Senate, to be appointed by the  
27 President of the Senate;  
28
- 29 (2) One member of the House of Representatives, to be  
30 appointed by the Speaker of the House of  
31 Representatives;  
32
- 33 (3) One representative of the Department of Agriculture;  
34
- 35 (4) One representative of the Department of Business,  
36 Economic Development, and Tourism;  
37
- 38 (5) One representative of the Department of Hawaiian Home  
39 Lands;  
40
- 41 (6) One representative of the Department of Health;  
42



- 1           (7) One representative of the Department of  
2           Transportation;
- 3
- 4           (8) One representative of the University of Hawaii System  
5           (Hawaii Community College);
- 6
- 7           (9) One representative of the Office of the Mayor of the  
8           County of Hawaii;
- 9
- 10          (10) One representative of the Hawaii County Department of  
11          Environmental Management; and
- 12
- 13          (11) One representative of the County of Hawaii Department  
14          of Water Supply.
- 15

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

18

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

25

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

35

36

37           OFFERED BY: 

