

DIVISION/ATTACHED AGENCY: LAND USE COMMISSION

PROGRAM ID: Bed 103/Da PROGRAM NAME: STATEWIDE LAND USE MANAGEMENT

SOURCE OF FUNDING: A (General Funds)

I. PROGRAM PLANNING

Problem, issue or opportunity statement: Describe the problem(s), issue(s) and/or opportunity(ies) your program is attempting to respond to. Identify the participants (individuals, companies, industry sectors, etc.) engaged in this problem, issue and/or opportunity.

Problem - The State Land Use Law (Chapter 205 HRS) as currently constructed has allowed development in the State Land Use (SLU) Agricultural District which does not promote agricultural activities and industries, but instead large lot residential subdivisions on prime agricultural land.

It is important to note that the same development factors which support and promote agricultural industry in Hawaii also apply to commercial/industrial/residential real estate development. These shared factors include: availability of large quanties of vacant land at reasonable costs; proximity to transportation and distribution systems (i.e., roads, harbors, airports, transit); availability of domestic and other water resources; proximity to workforce and community services/amenities; hospitable terrain with slopes <20%; and a predictable climate/growing seasons.

Currently, development in the SLU Agricultural District values the land for its development at its highest and best use (e.g., residential development) versus its value for agricultural production. This has caused lands to lay fallow, while landowners await lucrative development opportunites, raised land values and rents for farmers seeking to farm land and produced a statewide housing crisis.

Issue - The loss of prime agricultural land to other than agricultural activities has permanent and irreversible consequences for the State of Hawaii.

Opportunity - Implementation of Act 183 and Act 205 SLH 2005 (amongst other factors) trigger the need for other reform of the Land Use Law (e.g., update State Land Use (SLU) Rural District standards and criteria, strengthen SLU Agricultural District regulations and enforcement and establish a quasi-legislative boundary review and reclassification process) and will increase the need for legislative, interagency and community discussion. There is potential for such reform activities to provide necessary clarification to land use regulations throughout the state. This in turn might positively affect current patterns of human settlement, economic development and the growth of communites statewide.

Need and partners: Specify the need for government intervention. Provide supporting evidence. Identify any partners you will be working with to address the problem, issue and/or opportunity.



Needs - The Land Use Law needs to updated to clarify and resolve current controversies (i.e., permissible uses in the SLU Agricultural District, definition of farm dwellings, implementing Act 183 and 205 SLH 2005) and promulgate consistent land use regulations and enforcement of the Land Use Law at both the State and County levels.

The need for LUC involvement in reform of the State Land Use Law has been established by legislative direction and operational reality. Proposals to develop new communities and establish new economic development opportunities by private landowners/developers greatly impacts the patterns of human settlement and development of community in our state. As the primary state agency regulating land use in Hawaii, it is necessary for the LUC to carefully analyze and administer the reclassification of land in Hawaii in such a way so as to avoid or mitigate adverse impacts.

Partners: the State Legislature, state agencies (i.e., HHFDC, DOA, DLNR, DOH, DOT, DOE) county planning departments, federal agencies (NRCS/DOA), landowners/developers, community, environmental and Hawaiian groups, Farm Bureau of Hawaii, APA-Hawaii, LURF, Dept. Urban and Regional Planning.

Desired results (outputs, outcomes and impacts): Identify desired results, what success will look like, by describing what <u>you</u> expect to achieve near (0-2 years) and long-term (2-6 years).

Results (0 to 2 years)

Outputs - the LUC continues to process petitions/applications for district boundary amendment (DBA), special use permit (SUP) and declaratory rulings (DR) within the statutory deadlines.

The LUC works with its partners and statewide communities to facilitate broad understanding, participation and accord amongst stakeholders which produce legislative proposals to update the State Land Use Law and regulatory practices governing the SLU Agricultural and Rural Districts.

The UH/DURP IAL mapping project develops IAL mapping and designation templates on Kauai.

Outcomes - The LUC process efficiency and operations are maintained per the requirements of the Land Use Law. DBA, SP and DR are processed in accordance with the law.

A legislative proposal is submitted to the State Legislature which updates the SLU Rural District standards and criteria. The State Legislature reviews the proposal and adopts a new set of SLU Rural District standards and criteria.

(2 to 6 years) - AG lands are preserved as IAL lands are identified and designated according to the provisions of Act 183 SLH 2005.

Influential Factors: List the factors you believe will influence your ability to impact the problem or opportunity. (Things that support success and barriers to success.)

Support Success - the momentum and current legislative support for IAL implementation, reform of the SLU Rural District, search for solutions to the affordable housing strategy and the desire that state/county regulatory mechanisms will promote appropriate patterns of human settlement.



Stakeholders (state/county agencies, legislators, community representatives, farmers, developers and landowners all want answers and reform.

Rising housing costs threaten the viability and capacities of both old and new communities to accommodate the expected growth. While we will likely be able to meet the demand for high end, luxury 2nd homes, we have failed to provide sufficient quantities of affordable, gap and low market housing units, community infrastructure and services.

The heightened awareness of food security, increasing dependence on foreign energy supplies, the need to develop alternative & renewable energy supplies and the lack of clarity in our existing land use regulations are also important and influential external factors.

Strategies: List the general successful strategies or "best practices" that have helped other programs achieve the kind of results your program promises.

Piggyback reform initiatives for the State Land Use Law with the establishment of IAL incentives and subsequent designation of IAL lands statewide.

As community/stakeholder participation and understanding for reform of the State Land Use Law and IAL implementation is critical, LUC staff need to utilize facilitated meeting techniques, web publishing and interactive public participation technology to generate public support for reform initiatives.

The Land Use statute (Chapter 205 HRS) and its attendant administrative rules (Title 15 HAR) need to be updated to produce clarity, efficiency and consistency in the implementation of the State Land Use Law.

Assumptions: State the assumptions behind *how* and *why* the change strategies you have identified will work.

If not addressed, current controversies will continue to affect development of Agricultural land statewide, impact Agricultural land preservation and investment in new AG industries, stall economic and community development.

Land use regulations affect AG land preservation and prospects for new or increased investment in existing or new agricultural industry, the availability of land for agricultural activities and residential development and the promotion of appropriate patterns of human settlement statewide.

Reform of the State Land Use Law (SLU Rural District update, definitions of bonafide agricultural activity) will bring clarify, certainty and consistency to land use regulations which is currently missing. Mapping and designation of IAL lands statewide will identify those lands which must be preserved for developing new ag industry, biofuel feedstock and food security stocks and diversifying our State's economy.

II. PROGRAM IMPLEMENTATION

Resources: Describe the resources or influential factors available to support your program.



- 1) existing LUC staff and its relationship with the Office of Planning and the various County Planning Departments
- 2) current operational budget
- 3) availability of web publishing and interactive public comment software and
- 4) existing funding and contract for the UH/DURP IAL Mapping Project
- 5) the existing provisions and mandates contained in Act 183 and Act 205 SLH 2005.

Activities: Describe each of the activities you plan to conduct within your program.

- 1) Continued support for IAL implementation (Act 183 SLH 2005) by LUC staff
- 2) Conduct faciltiated meetings statewide using web publishing and interactive public input software acquired via contract.
- 3) LUC staff to provide presentations at Hawaii Congress of Planning Officials (HCPO), Agriculture conference and facilitated web publishing workshops
- 4) LUC staff to conduct statewide public hearings seeking to update the LUC administrative rules (Title 15 HAR)
- 5) LUC to develop appropriate presentations on the abovementioned subjects.
- 6. LUC to provide continued direction and support for the UH/DURP IAL Mapping Project
- 7) LUC staff to develop a legislative proposal to update the SLU Rural District standards and criteria.

Outputs: For each program activity, identify what outputs you aim to produce.

- 1) There will be no instance where the LUC does not process petitions brought before it within statutory timeframes. There will be no petitions or applications before the LUC that are automatically approved because it was not completed within statutory deadlines.
- 2) The UH/DURP IAL Mapping Project would be completed.
- 3) The 2008 would review the legislative proposal brought forth by the LUC staff in conjunction with widespread public comment solicited during 2007.
- 4) Two sets of public workshops and interactive public comment would have been hosted by LUC staff in developing its rural reform legislative proposal.

5) Review and update of the LUC administrative rules would be conducted and completed.

1) The UH/DURP IAL mapping project will produce a template process for identifying and designating IAL throughout the State. If funded by the Legislature, this methodology will be consistently applied in each county of the State of Hawaii.



2) The SLU Rural District standards and criteria (within Chapter 205) will be updated Long Term 2-6 years - All counties in the State of Hawaii will have mapped and identified IAL lands..

Impact: Describe the lasting impact you anticipate.

- 1) Preserve critial IAL lands in perpetuity for agricultural industry purposes.
- 2) Promote appropriate patterns of rural lands development that produces communities and not lrural sprawl/arge lot subdivisions. Instead of housing units, we will see communities where people live, work and play.
- 3) Landowners, developers, farmers and legislators will have clarity and consistency in the State Land Use Law.

III. PROGRAM EVALUATION

Focus Area:	From your program logic model, list the components of the most important aspects of
rocus Arca.	your program.

- 1) Administration of the State Land Use Law (especially with respect to activities proposed in the SLU Agricultural and Rural Districts) consistently, with clarity and within the statutory timeframes specified in statute.
- 2) Reform and update of the SLU Rural District Standards and Criteria.
- 3) Completion of the UH/DURP IAL Mapping and Identification Project on Kauai.
- 4) Public participation and input into the SLU Rural Reform legislative proposal.

- 1) County planning departments who administer activities within the SLU Agricultural District and map IAL lands.
- 2) Farmers and AG industry. Both large and small farmers have an enormous stake in the IAL designation process.
- 3) Landowners. Whether to commit to agricultural, development or land bank, landowners have an financial interest in SLU Agricultural District regulations and the possibility of SLU Rural District reform.

Quartiena	For each focus area and audience, list the questions they may have about your
Questions:	program.

All groups are interested in seeing the details of any reform proposal or IAL implementation mechanism, understanding when these matters will be addressed and any other specifics.

Information	For each audience and question you have identified, identify the ways you will use the
Use:	evaluation information.



LUC will be using a web publishing and interactive public comment software to manage the flow of information even during the upcoming legislative session. See attached powerpoint.

1	Indicators:	Describe what information can be collected that would convey the status of your
	indicators:	program.

The web publishing and interactive public comment software is web enabled and will provide a 24/7 mechanism for all stakeholders to periodically check the status of these projects.

IV. THREE STRETCH GOALS FOR 2007

Please identify three stretch goals for FY07:

1. Rural Reform Proposal - LUC staff will contract for web publishing and interactive public participation services. Staff will conduct a statewide set of workshops designed to solicit public participation and input into a legislative proposal designed to update the State Land Use Rural District standards and criteria. Reform of the SLU Rural District standards and criteria is expected to promote more appropriate rural patterns of settlement which do not negatively impact (i.e., agricultural subdivisions which inflate the cost of farm land and do not support agricultural activity and do not contribute to the development of community versus housing in the rural areas of the state.

2.

3.