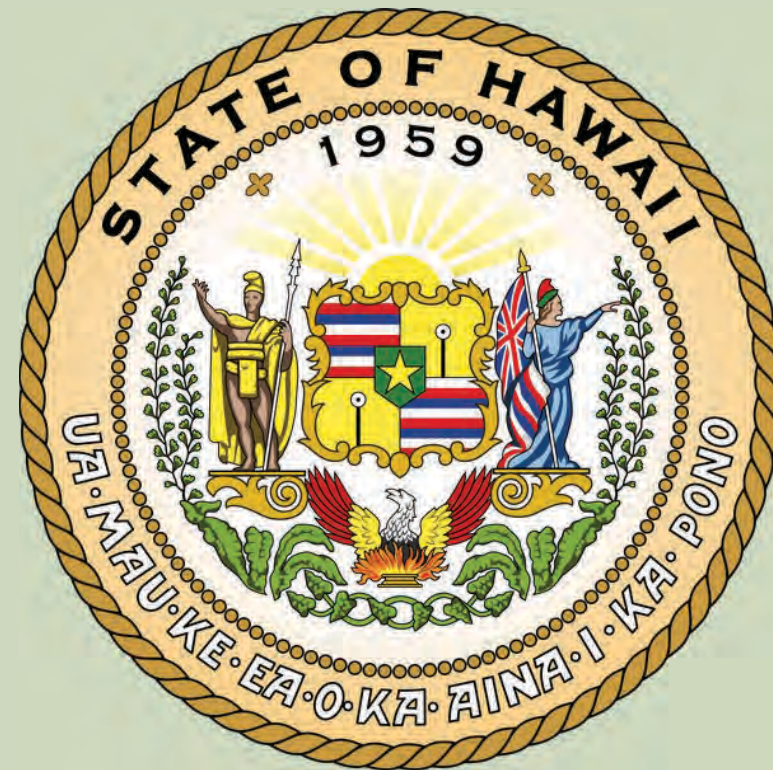


# State Agribusiness Development Corporation



**House Investigative Committee**  
**September 21, 2021**

# ADC's Mission

*"The ADC's mission is to acquire and manage, in partnership with farmers, ranchers, and aquaculture groups, selected arable lands, water systems and infrastructure for commercial agricultural use, and to direct research into areas that will lead to the development of new crops, markets, and lower production costs."*

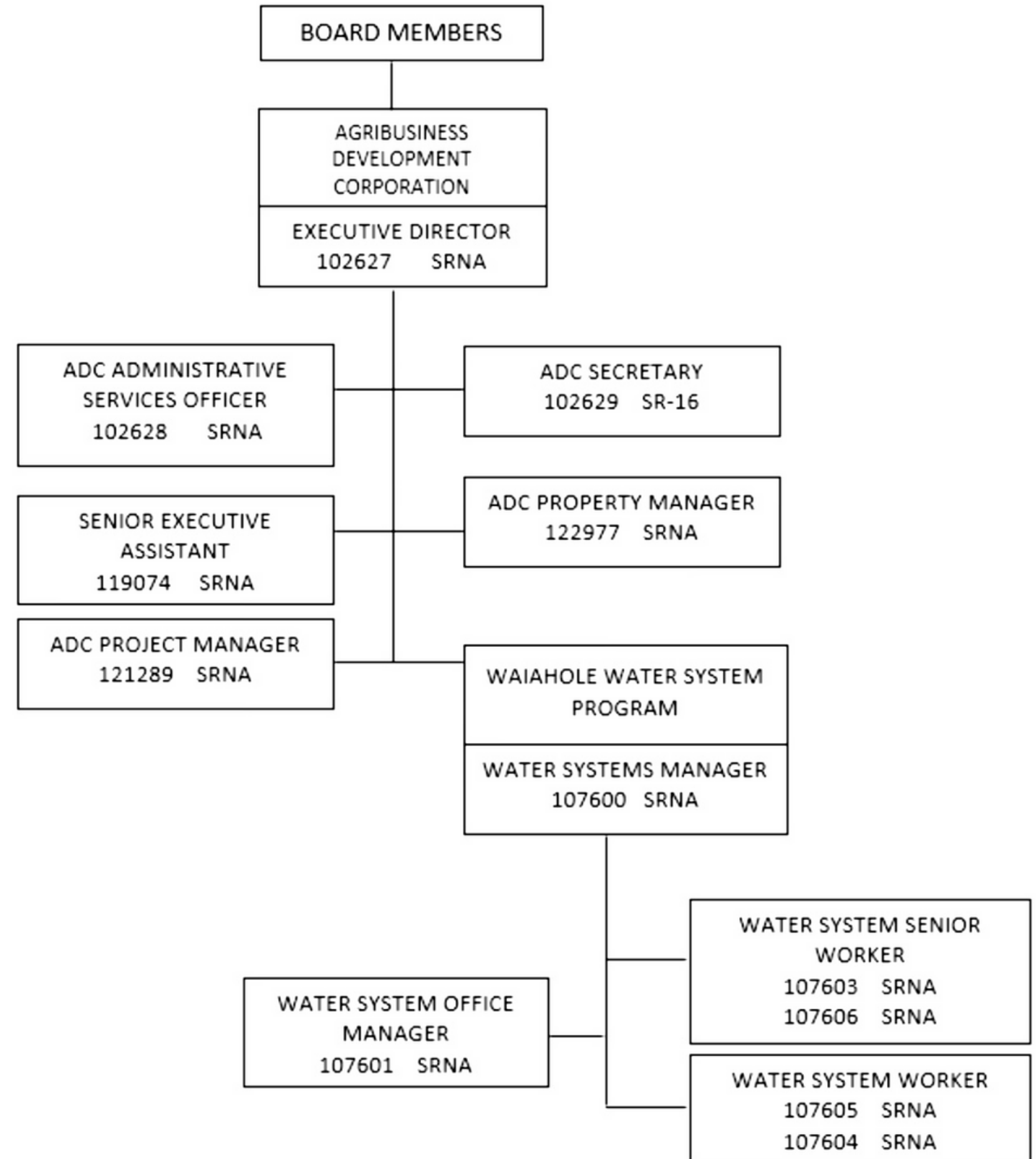


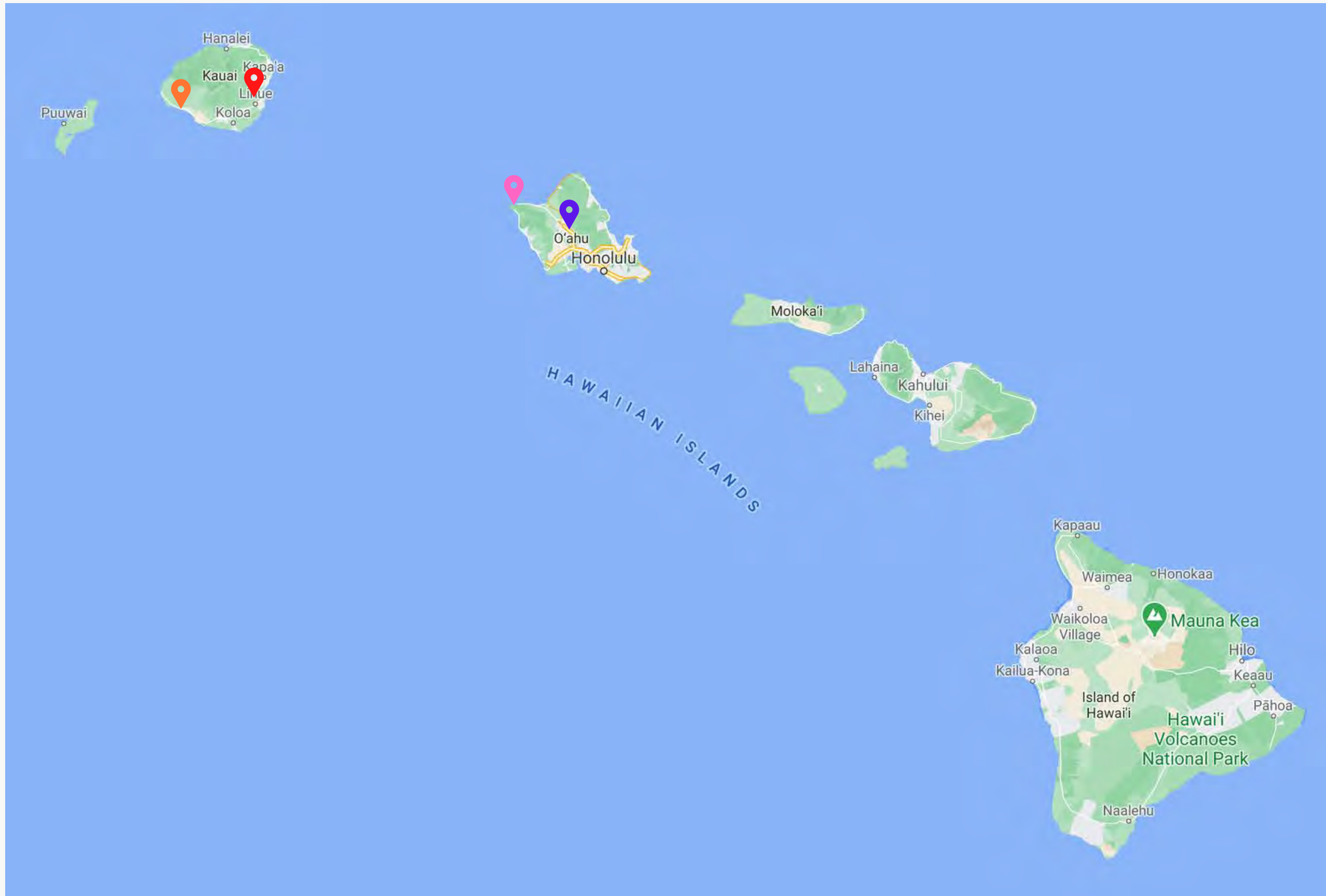
# ADC Goals

- **Goal 1:** Acquire and develop productive agricultural lands for agricultural development.
- **Goal 2:** Assure the continued availability of adequate, reasonably priced water to lands to accommodate present and future agricultural activities.
- **Goal 3:** To improve the productivity of agriculture operations by providing brick and mortar facilities, as needed, and promote efficient profitability by enticing the development of applied research and innovation on State lands and in State owned facilities.

# ADC Staffing


- ADC currently has 6 staff members
- James Nakatani has been ADC Executive Director since 2012





 Central Oahu

 Mokuleia

 Kalepa

 Kekaha

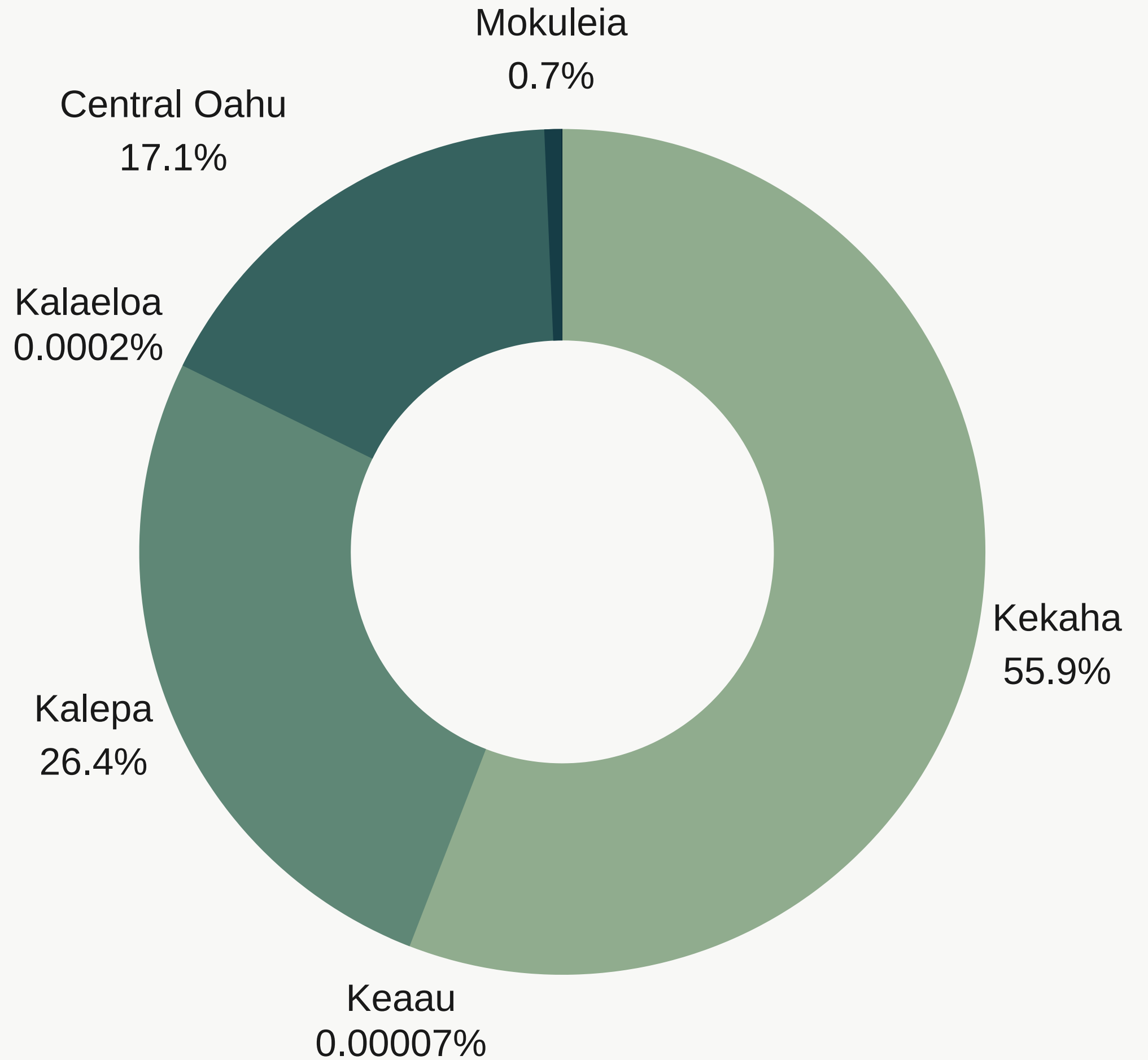
# Total ADC Acreage Statewide



- Total Acreage: 22,535
- Tillable Acreage: 15,093
- Current acreage occupied: 10,674
- Percent Occupied: 70%

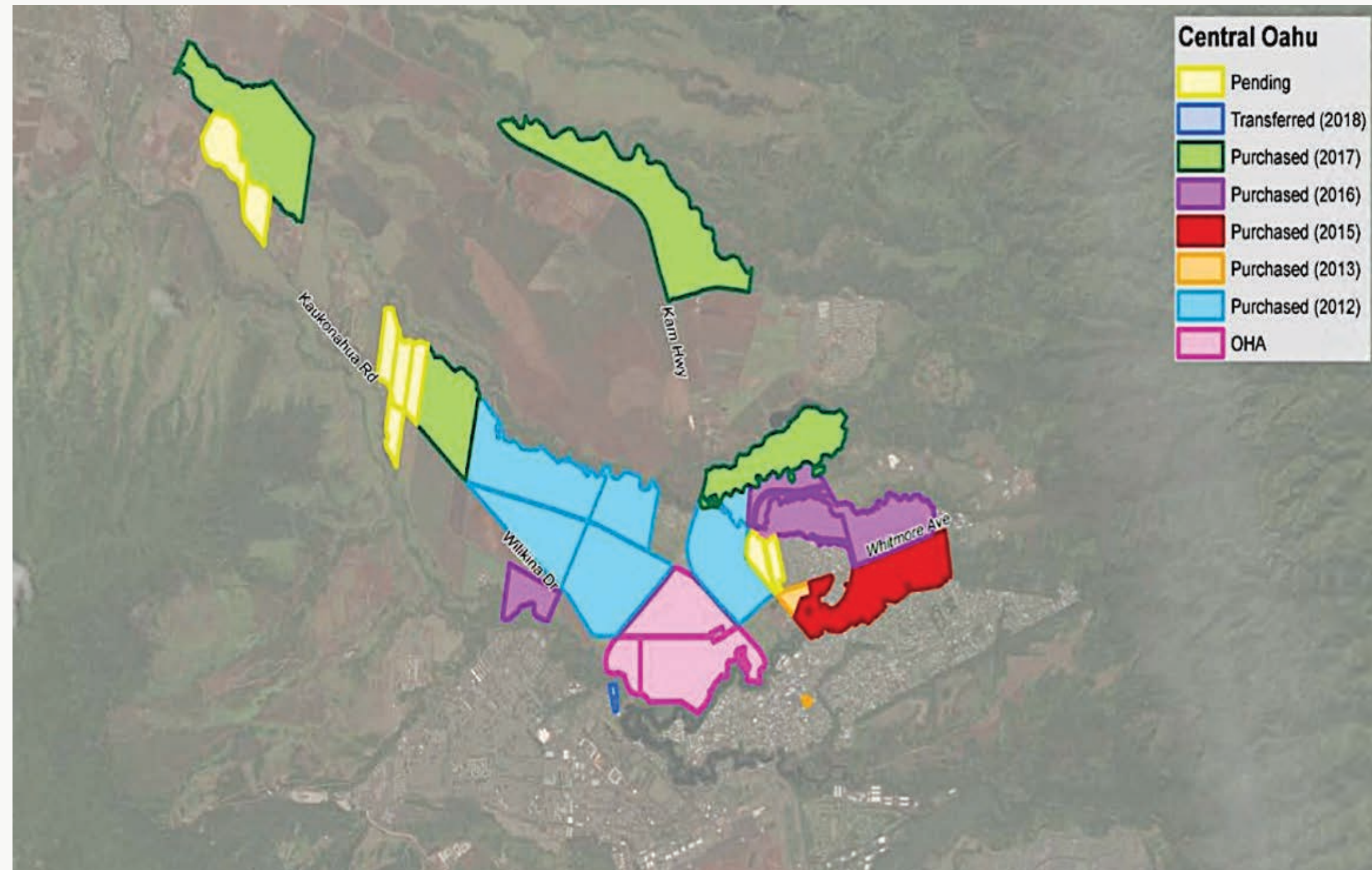
# Lands Under ADC

Based on acreage



# Oahu

Total Acreage: 3,843  
Tillable Acreage: 3,252  
Current acreage occupied: 1,559  
Percent Occupied: 48%  
Acreage Pending Approval:  
1,057







# Galbraith Crops

Some of the crops currently grown at the Galbraith site for the consumer market include:

- Cabbage
- Bell Peppers
- Tomatoes
- Cucumber
- Taro
- Eggplant
- Okra
- Papaya
- Citrus
- Avocado
- Banana
- Dragon fruit
- Watermelon
- Green Onion
- Ti Leaves



# Galbraith Crops



# Galbraith Crops



Staying in business has forced a lot of people to get creative, find new markets but keep their regular outlets active.

Tuesday, September 1st 2020, 9:39 PM HST by Nicole Tam

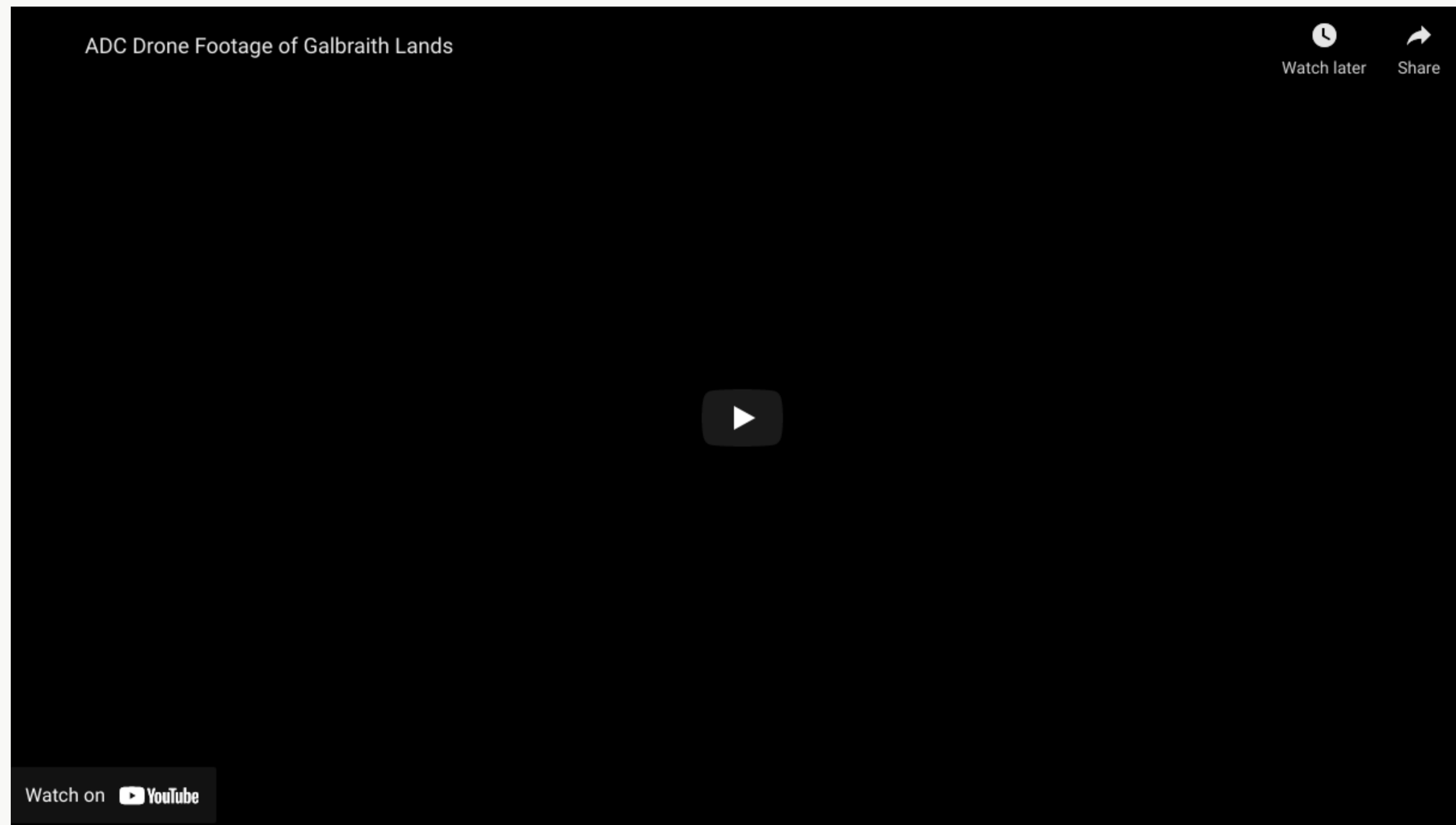


Like many businesses, local farmers are struggling during the COVID-19 pandemic. Many report sales are down and they had to learn to adapt. For one Oahu farm, diversity and flexibility is key to survival.

Crops take between two weeks and up to four months to grow at Ho Farms. Because of the pandemic, the drop in demand for food was so sudden, that farmers didn't have enough time to prepare or react. It forced general manager Shin Ho to think outside the box.

Summer is usually the busiest season at the 100-acre farm, located north of Wahiawa, on land leased from the State Agribusiness Development Corporation. With warmer weather, crops grow faster. This year, the supply is high but demand is lower.

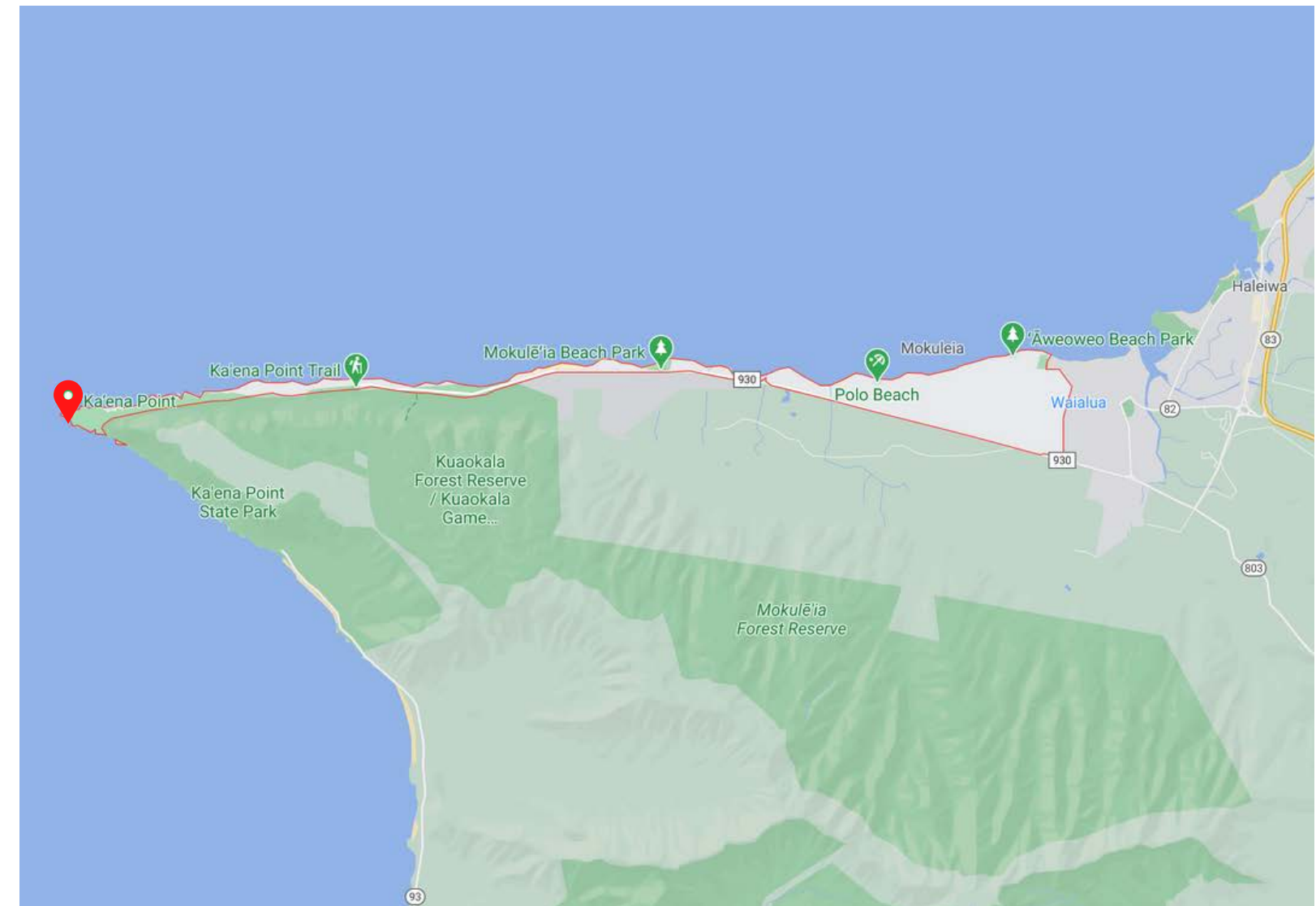
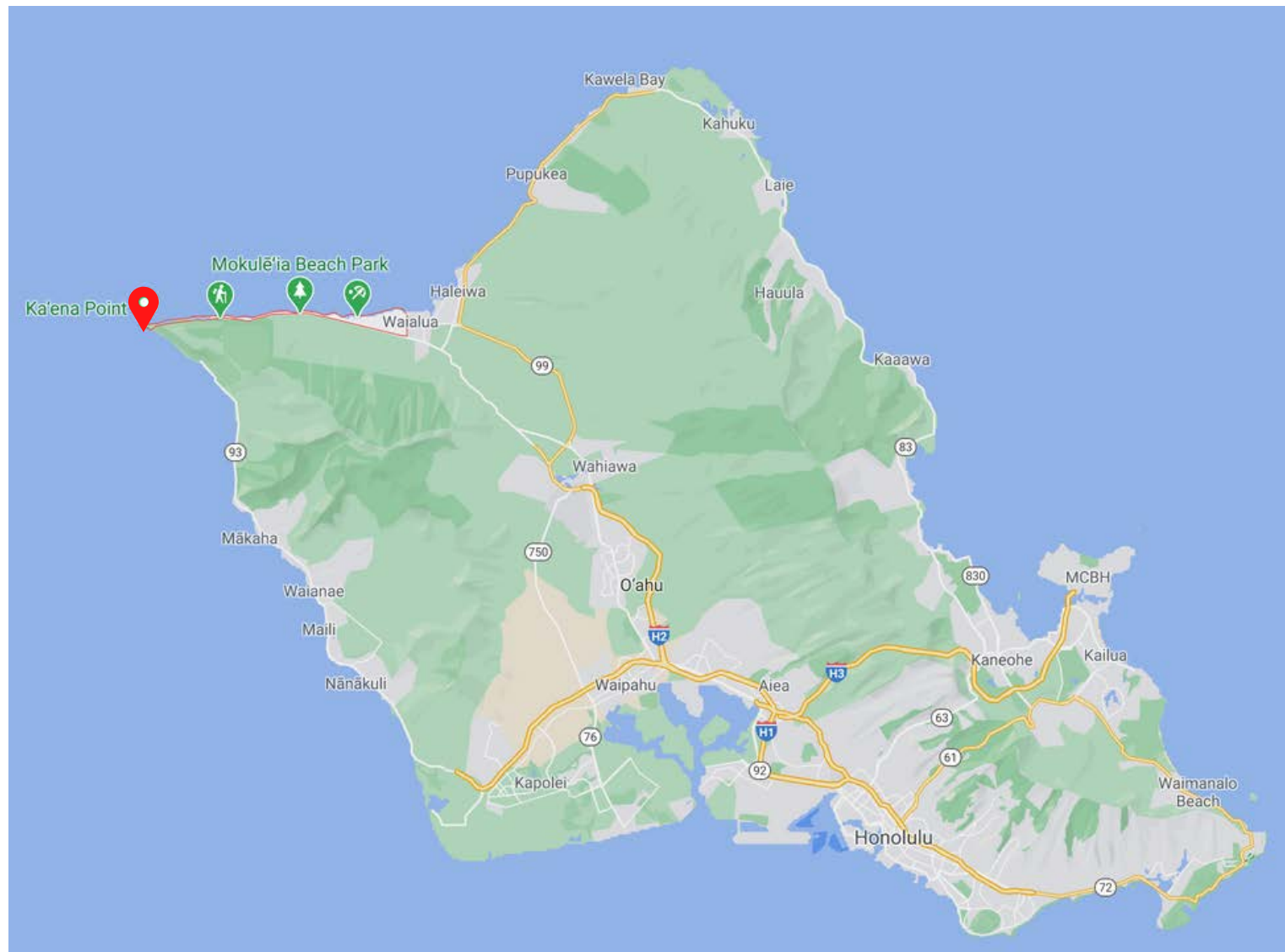
# Aerial Footage of Galbraith Land



<https://www.youtube.com/watch?v=ggx-mlmGEPE>

# Mokuleia

Total Acreage: 148  
Tillable Acreage: 18  
Current acreage occupied: 18  
Percent Occupied: 100%



# Mokuleia Farms Crops



# Mokuleia Farms Crops



# Non-Food Crops

- Christmas tree farm (Helemano Farms) near Whitmore Village
- Provides seasonal jobs to community
- 5,000 raised trees sold out by first week of December 2020





# Helemano Farms begins selling locally grown Christmas trees



by: Web Staff

Posted: Nov 25, 2020 / 07:14 PM HST / Updated: Nov 25, 2020 / 07:14 PM HST

WAHIAWA, Hawaii (KHON2) — Helemano Farms in Wahiawa is open for business and will be selling locally-grown Christmas trees to those who wish to shop local this holiday season.



## ISLAND NEWS

# Oahu Christmas tree farm sees boost in business this year

By Nicole Tam

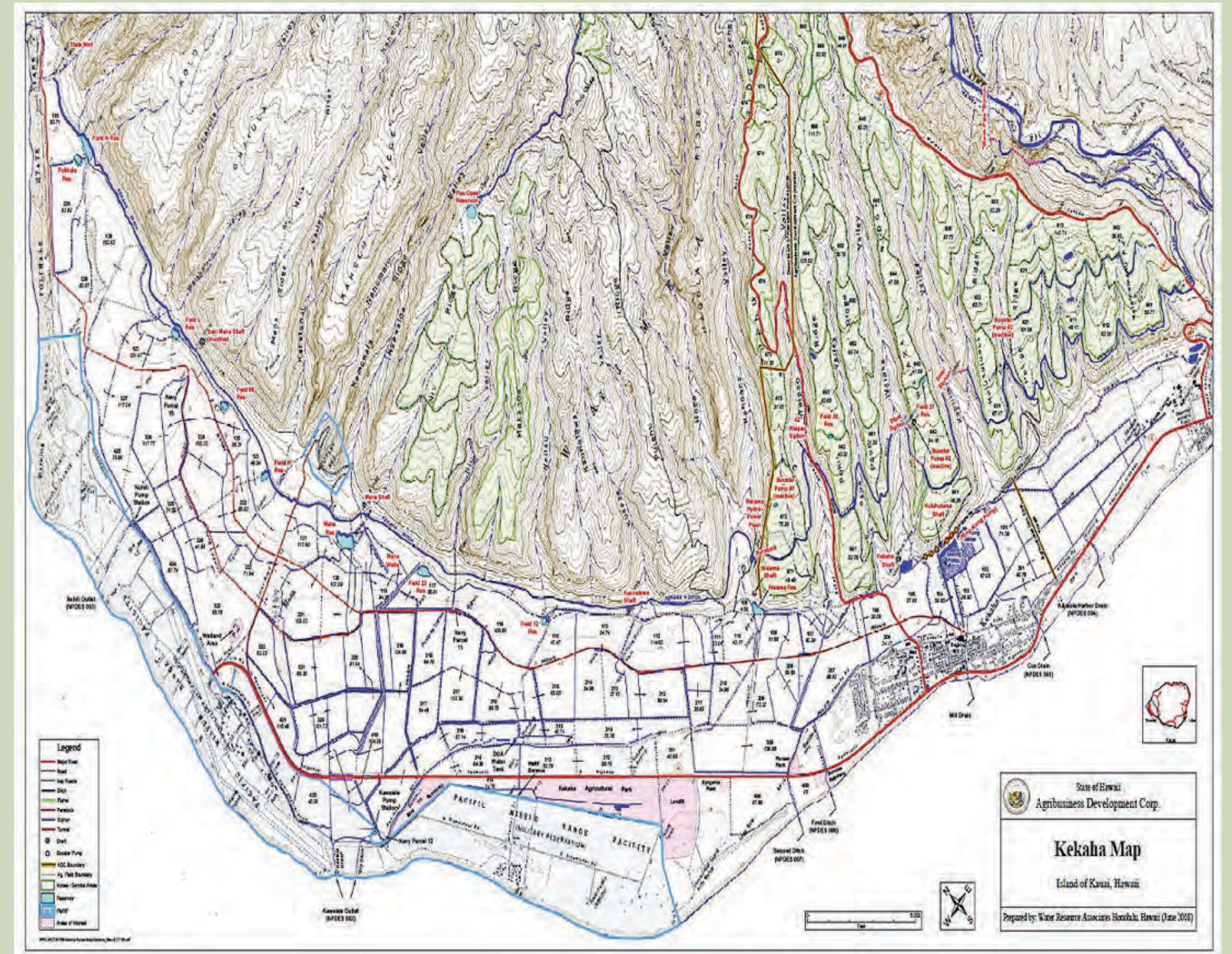
Updated: Nov 26, 2020 at 5:22 PM HST

Posted: Nov 26, 2020 at 5:22 PM HST

Helemano Farms is the only place in Oahu that grows its own Christmas trees. This year, to help limit the amount of daily customers and avoid large gatherings, owner Aaron O'Brien opened for business a week earlier than he usually does.

# Kekaha

Total Acreage: 12,592  
Tillable Acreage: 7,511  
Current acreage occupied: 3,990  
Percent Occupancy: 53%



# Kekaha Crops



# Kekaha Crops



## Gearing up for mango season

LEFT: A truck load of Rapoza mangoes ready to be delivered.

CONTRIBUTED PHOTO

MIDDLE: Wally Johnson shows off the first of 10 planned greenhouses on his property to better maintain and protect the trees. BOTTOM: Wally Johnson holds a Rapoza mango, the first fruit of the mango season.

STEPHANIE SHINNO / THE GARDEN ISLAND

## Wally and Jorinda Johnson ready for farmer's market

Stephanie Shinno  
THE GARDEN ISLAND

It's almost mango season for one of Agribusiness Development Corporation's longest tenants, Wally Johnson, and he's gearing up to expand and upgrade operations.

Johnson leases 13 acres in Kekaha from ADC, and has been raising mangoes on Kaua'i for 20 years.

In January he built the first of 10 planned greenhouses that protect 30 new mango starter trees from the heat that will eventually replace the existing trees that were planted 20 years ago. The greenhouse is 30 by 100 feet long and cost Johnson about \$20,000 to have a contractor to build it for him.

"I plan to replace two trees a year," Johnson said. "The greenhouse protects the starters from insects and birds. The trees will fruit earlier and longer because they will get more heat in the fall. And probably these trees will start producing fruit pretty good in three years."

Johnson harvests 25,000 to 30,000 pounds of mangoes from the 180 mango trees on his property every year before they are distributed into the community or sold at the farmers' markets. He has a team of 70 to 150 workers each season.

"We harvest every week for the next six months," Johnson said. "The mangoes are raised without any pesti-



and he sells them to one distributor who divides them to all the farmers' markets on Kaua'i.

"We furnish mangoes out in Kilauea," Johnson said. "We will probably do that again this year."

Besides the support of the Kekaha Agriculture Association that manages all the infrastructure, Johnson also gets support from the Bowman Corporation and from his wife Jorinda Johnson, who harvests mangoes for the farmers' markets.

"She and a couple of the girls who work for me do most all the harvesting," Johnson said. "They're careful about what they harvest. So they hire two or three girls to harvest almost everything. Then she sells them at farmers' markets and has people that she distributes them."

In the future, Johnson hopes his mango farm can reach out to the community and be one of the sustainable farms on Kaua'i.

"We're trying to put up some other greenhouses to raise other crops," Johnson said. "And so we're hoping that we can provide jobs for like some of the younger people here that are more of a high-tech job — working in a greenhouse. We think that's maybe the future of farming."

\*\*\*

Stephanie Shinno, education and business reporter, can be reached at 245-0424 or sshinno@thegardenisland.com.



cides or anything. They're almost like an organic mango. We do put some fer-

tilizer on it. We don't spray them with anything," Johnson said the ADC is a

big part of what they do out on the Westside of Kaua'i. "We find it easy to work

# Kekaha Crops



# Kekaha Crops



# Video Footage of Kekaha Property



<https://www.youtube.com/watch?v=VKhETC1ahCk>

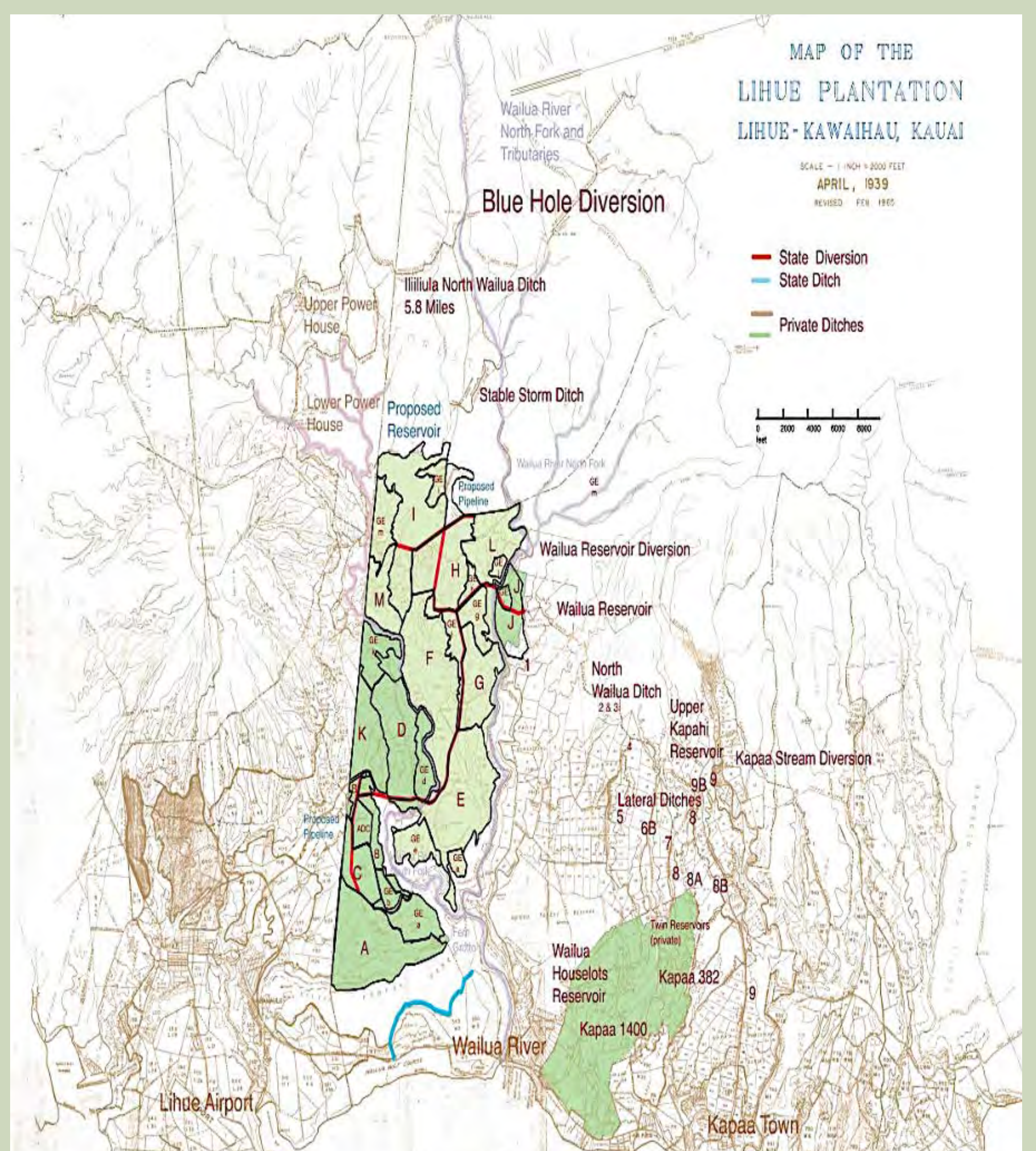
# Kalepa

Total Acreage: 5,946

Tillable Acreage: 4,306

Current Acreage Occupied: 4,045

Percent Occupancy: 94%





# Kalepa Activity

Tillable (usable) acres: 4,306 acres including:

- Tree farm: 1,621 acres
- Crop farm: 375 acres
- Pasture: 2,050 acres
- Uncultivated land: 260 acres
- Another 1,564 acres are gullies, rivers, streams, banks, roads, reservoirs, dams, ditches, etc.



# Waiahole Water System

- The Waiahole Water Systems currently manages and provides water to approximately 5,866 acres in the central plain that are in agricultural use.
- The system is 27 miles long.
- The system is of critical importance not only because of the impact on the production of crops but also because of the economic impact on the community.



# Community Service (Other ADC projects)



# Aiding Hawaii Island papaya farmers (Community Service)



# Aiding Hawaii Island papaya farmers (Community Service)





# Other ADC Projects

- Freckle free and Virus Resistant Solo Papaya
- UH Food Hub
- Feedmill RFP

# HONU Project

- ADC's Whitmore Village property temporarily in use by city's homelessness program
- Over 100 people served by program so far by Wahiawa site

## HOMELESS OUTREACH

### Evaluator touts HONU program as a 'success'



*The project, which is run by HPD, casts the relationship between police and homeless in a different light*

**By Mark Ladao**  
mladao@staradvertiser.com

A state-contracted researcher spent three nights sleeping this weekend at the Homeless Outreach and Navigation for Unsheltered Persons facility at Keehi Lagoon Beach Park, and found it to be an "extraordinary success."

The HONU program launched in December 2019 and moved to Old Stadium Park in March 2020 before transitioning to its two current locations at Keehi Lagoon and Whitmore Village.

The program has served more than 1,600 homeless people, 900 of whom have since moved to other services, like emergency shelters, medical services or even permanent housing.

Heather Henderson, as the lead facilitator of the firm Collaborative Quality Consulting, or more commonly known as Focalize, is evaluating the HONU facility as part of an annual progress

*Please see HOMELESS, B4*



PHOTOS BY CRAIG T. KOJIMA / CKOJIMA@STARADVERTISER.COM

**As part of her research, Heather Henderson, the lead facilitator of the firm Collaborative Quality Consulting, slept for three nights at the at the Homeless Outreach and Navigation for Unsheltered Persons facility at Keehi Lagoon. She is evaluating the HONU facility as part of an annual progress report of the state's Ohana Zones programs. Henderson, top, showed on Friday her tent that sat inside of the Keehi Lagoon facility, above.**

# **Safety/Security**



# Progress Made During Past Year

- We acknowledge there have been challenges, particularly at our Wahaiawa properties. This includes clearing the area of illegal activity and tilling the land and providing the necessary irrigational improvements.
- Now that we've taken those major steps this past year, we can move forward with our goal of 100 percent occupancy of the land.



# Clean Up at ADC Wahiawa Site



The removal of over 150 abandoned vehicles since last summer by a private towing company to eventually clear the area for agricultural use.

# Security

Hiring of a new security firm, with increased patrols of our properties, particularly at night, to discourage illegal activity and theft/vandalism of our water infrastructure and crops.



# Infrastructure

# Repairs to Former Del Monte Well (Bott Well)

Water for irrigation was previously an issue, but has since been rectified. Repairs were made to the former Del Monte Foods Co. well (Bott Well) that provides much-needed water to the ADC property and tenants.





# Two new reservoirs recently completed

Two reservoirs -- 10 million and 3 million gallons in size -- are currently being filled with water to assist with farmers' irrigational needs.



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# Next steps

ADC's pivot to fill vacant lands, potential economic impact of putting the land in production





# Next Steps: Wahiawa, Oahu

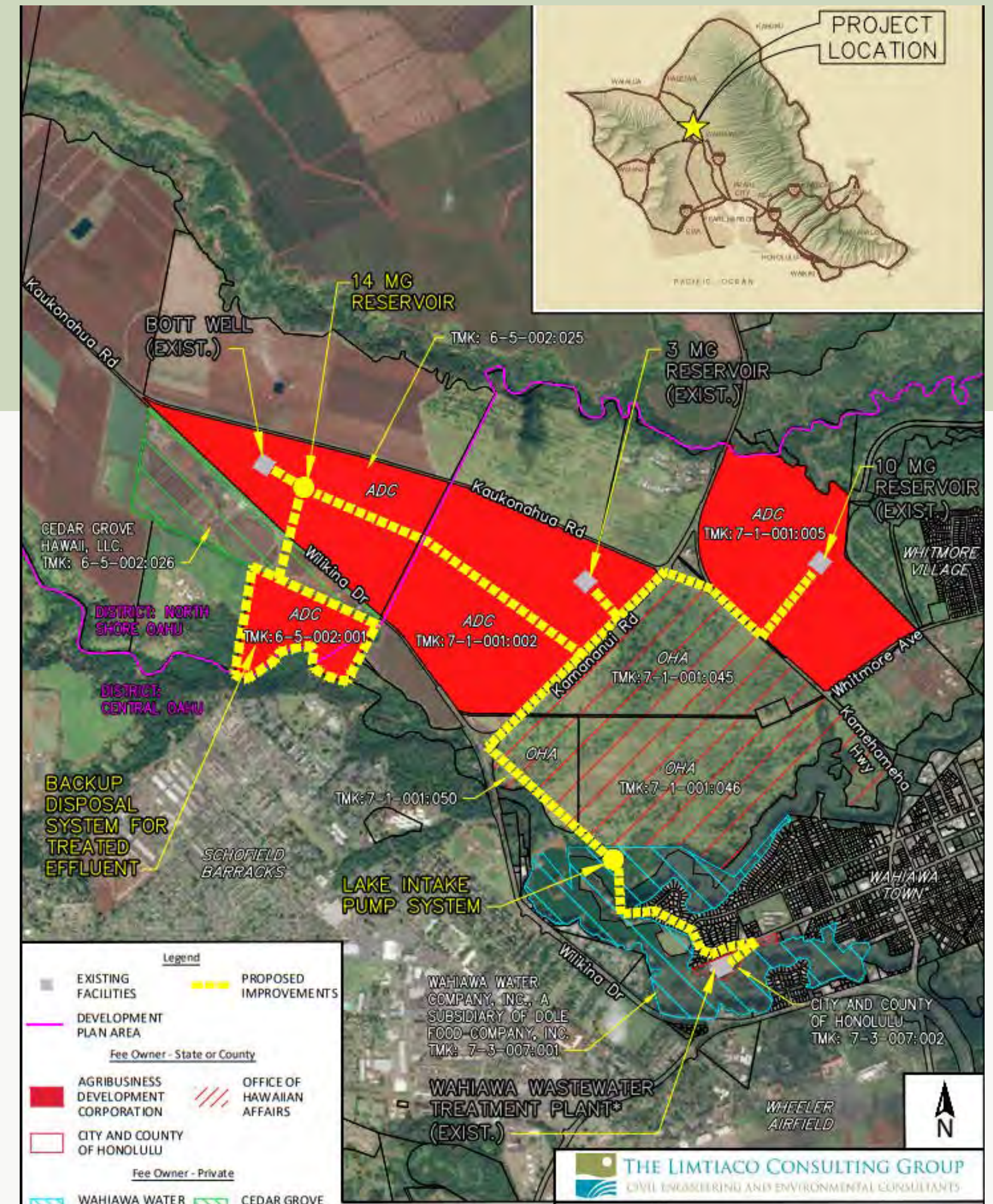
- With the recent progress made at our Wahiawa properties, ADC's board of directors recently selected four applicants to farm 1,000 acres of our remaining 1,200 acres in the Central Oahu area.
- An official announcement was put out in Spring 2021 to interested farmers. About 30 applications were submitted for consideration.



- Selected finalists will move in pending approval by the ADC board of directors

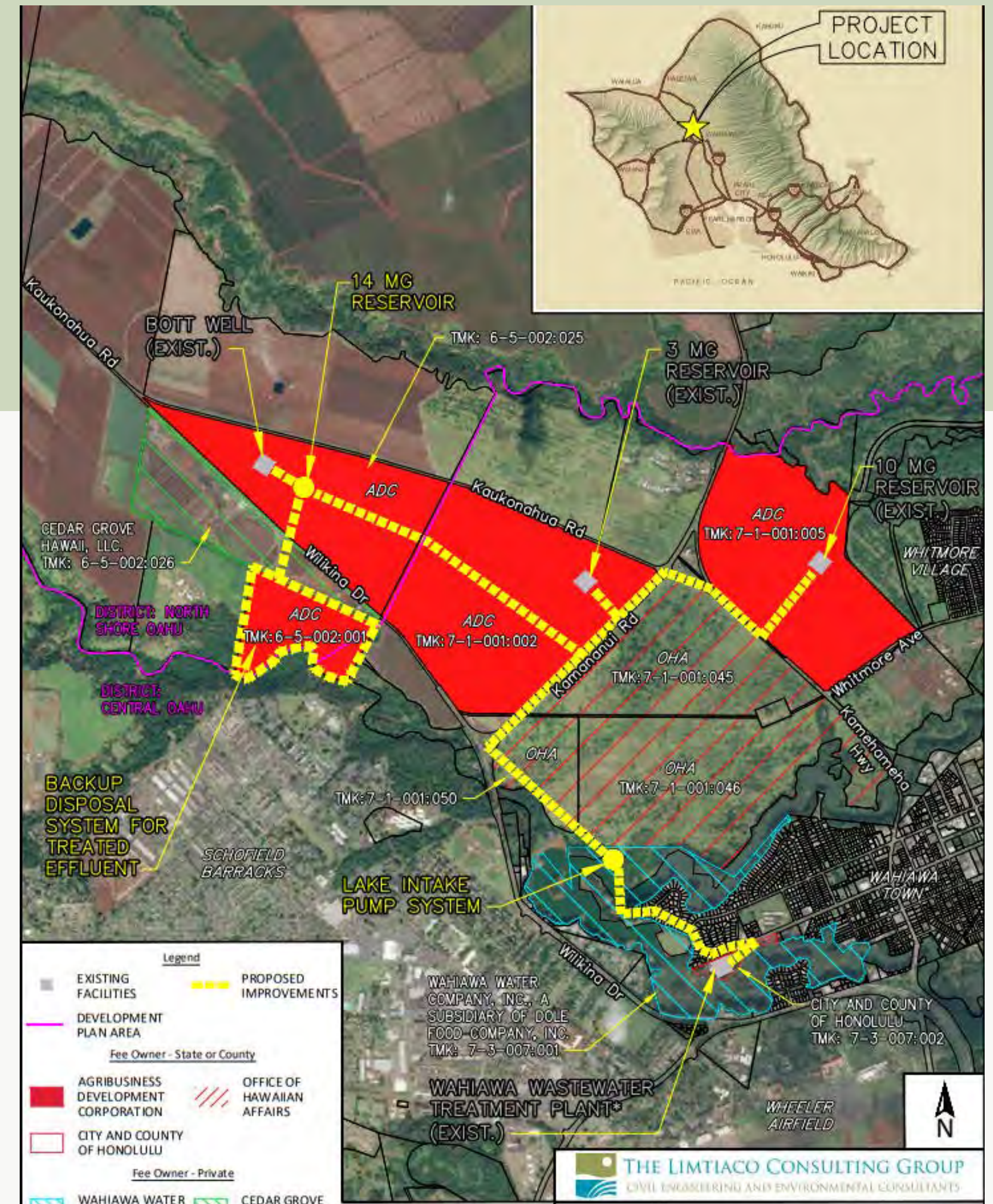
# Next Steps: Wahiawa, Oahu

- Incorporate R-1 water from the Wahiawa Wastewater Treatment Plant into the agriculture system (5 to 10 years)
- August 23 was deadline to submit testimony on draft EA



# Next Steps: Wahiawa, Oahu

- Water source would help save on precious groundwater for other public uses
- Provide irrigational water for ADC and other area farmers
- Improve quality of water at Lake Wilson in Wahiawa



# Next Steps: Waiahole Water System

- Implement the Central Oahu Watershed Management Plan (5 to 7 years).
- Rehabilitate the existing Waiahole Water System which includes constructing a reservoir, back-up well development, enclosing high-risk sections, and improving data gathering (1 to 5 years).



# Next Steps: Kekaha, Kauai



- Convert 1,000 acres to productive diversified agriculture status, which includes the development of Waiaka Farms (500 acres) in partnership with Kekaha Agriculture Association (1 to 3 years).
- Selected parcels will be targeted for land preparation including tree clearing and amending the conditions of the soil.

# Next Steps: Kalepa, Kauai

- Convert 500 acres to productive diversified agriculture status (1 to 3 years).
- Selected parcels will be targeted for land preparation including tree clearing and amending the conditions of the soil.
- Implement a crop rotation program (1 to 3 years). Develop a crop rotation framework that includes both livestock and field crops.



# ADC Audit Recommendations Priorities

\* Item numbers correlate to Auditor's recommendations; refer to matrix

## Executive

In order of priority

1. Update and revise mission statement
2. Develop goals, objectives, policies, and priority guidelines for an agribusiness development strategy
9. Develop proposals to improve data collection of market demands
12. Prepare short- and long-range strategic plans
10. Develop strategies for federal and state legislative actions
6. Develop financial and other programs
13. For each project, prepare business and agricultural development plans
7. Develop feasible strategies for the promotion, marketing
5. Prepare an analysis of imported agricultural products

## Administrative

In order of priority

14. Evaluate retaining consultants and other outside technical assistance
21. Evaluate the retention of a private property management company
26. Fill vacant staff positions
20. Create a filing system (or electronic document management system)
19. Create an electronic database
18. Develop written policies and procedures
24. Obtain an opinion from the State Procurement Office
25. Attend training on the Hawaii Procurement Code, Chapter 103D, HRS
27. Develop and document annual performance goals and measures for each staff
28. Evaluate each staff's performance annually

## Other

In order of priority

11. Prepare, and revise as required, the Hawaii Agribusiness Plan
17. Twenty days before legislative session, submit a report to the Legislature and Governor
3. Develop an inventory of agricultural lands with adequate water resources
4. Develop an inventory of agricultural infrastructure
23. Evaluate the need to procure insurance
8. Develop strategies to ensure adequate air and surface transportation services and associated facilities
15. Obtain and document approval by the Board of Agriculture before project implementation
16. Obtain from the Board of Agriculture its policies and procedures for approval of ADC's projects
22. Promulgate administrative rules to address the application process for ADC lands and other assets

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# Challenges

- COVID pandemic
- Lack of funding
- Climate Change
- Food Safety
- Competing Ag Interests



# Mahalo!

