

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OU LU AINA MAHIAI

Regular Meeting of the Board of Directors

Held via Teleconference with In-Person Viewing Location

December 6, 2024
2:00 p.m.

Pursuant to section 92-3.7, *Hawaii Revised Statutes*, this meeting will be held using interactive conference technology (ICT). Board members, staff, persons with business before the Board, and the public may participate remotely online using ICT, or may participate via the in-person meeting site which provides ICT.

Interested persons may submit written testimony in advance of the meeting, which will be distributed to Board members prior to the meeting. If possible, we request that testimony be received by our office not less than seventy-two hours prior to the meeting to ensure that staff has time to disseminate it and that Board members have time to review it. Written testimony may be submitted electronically to dbedt.adc@hawaii.gov or sent via U.S. Postal Service, or delivered to:

Agribusiness Development Corporation
235 S. Beretania Street, Suite 205
Honolulu, Hawaii 96813

When testifying via ICT, via telephone, or in-person, you will be asked to identify yourself and the organization you represent, if any. Each testifier will be limited to two minutes of testimony per agenda item.

The public may participate in the meeting via:

ICT: <https://us06web.zoom.us/j/81802129038>
Telephone: (669) 900-6833, Webinar ID: 818 0212 9038
In-Person: at the meeting location indicated below

ICT ACCESS

To view the meeting and provide live oral testimony, please use the link above. You will be asked to enter your name in order to access the meeting as an attendee. The Board requests that you enter your full name, but you may use a pseudonym or other identifier if you wish to remain anonymous. You will also be asked for an email address. You may fill in this field with any entry in an email format, e.g., ****@****.com.

As an attendee, your microphone will be automatically muted. When the Chairperson asks for public testimony, you may click the Raise Hand button found on your Zoom screen to indicate that you wish to testify about that agenda item. The Chairperson or staff will individually enable each testifier to unmute their microphone. When recognized by the Chairperson, please unmute your microphone before speaking and mute your microphone after you have finished speaking.

For ICT, telephone, and in-person access, when testifying, you will be asked to identify yourself and the organization, if any, that you represent. Each testifier will be limited to two minutes of testimony per agenda item.

TELEPHONE ACCESS

If you do not have ICT access, you may get audio-only access by calling the Telephone Number listed above.

Upon dialing the number, you will be prompted to enter the Meeting ID that is listed next to the Telephone Number above. After entering the Meeting ID, you will be asked to either enter your panelist number or wait to be admitted into the meeting. You will not have a panelist number. Please wait until you are admitted into the meeting.

When the Chairperson asks for public testimony, you may indicate you want to testify by entering “#” and then “9” on your telephone’s keypad. After entering “#” and then “9”, a voice prompt will let you know that the host of the meeting has been notified. When recognized by the

Board Meeting Agenda
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Chairperson, you may unmute yourself by pressing “#” and then “6” on your telephone. A voice prompt will let you know that you are unmuted. Once you are finished speaking, please enter “#” and then “6” again to mute yourself.

For ICT, telephone, and in-person access, when testifying, you will be asked to identify yourself and the organization, if any, that you represent. Each testifier will be limited to two minutes of testimony per agenda item.

Instructions to attend State of Hawaii virtual board meetings may be found online at <https://cca.hawaii.gov/pvl/files/2020/08/State-of-Hawaii-Virtual-Board-Attendee-Instructions.pdf>.

IN-PERSON ACCESS

There will also be one meeting location, open to the public, which will have an audio-visual connection. That meeting will be held at:

State of Hawaii, Leiopapa A Kamehameha
State Office Tower Building
235 S. Beretania St., Suite 405
Honolulu, HI 96813

For ICT, telephone, and in-person access, when testifying, you will be asked to identify yourself and the organization, if any, that you represent. Each testifier will be limited to two minutes of testimony per agenda item.

LOSS OF CONNECTIVITY

In the event of a loss of ICT connectivity, the meeting will be recessed for a period not to exceed thirty minutes to restore connectivity with all board members and the public in-person access location noted above. In the event that audio connectivity is re-established within thirty minutes without video connectivity, interested participants can access the meeting via the telephone number and Meeting ID number noted above. In the further event that connectivity is unable to be restored within thirty minutes, the meeting will be automatically continued to a date and time to be posted on the ADC website at <https://dbedt.hawaii.gov/adc/> no later than close of business the next business day. New ICT, telephone, and in-person access information will be posted on the website no less than twenty-four hours prior to the continued meeting date. Alternatively, if a decision is made to terminate the meeting, the termination will be posted on the ADC website.

SPECIAL ASSISTANCE

If you require special assistance, accommodations, modifications, auxiliary aids, or services to participate in the public meeting process, including translation or interpretation services, please contact staff at (808) 586-0186 or by email at dbedt.adc@hawaii.gov.

Please allow sufficient time for ADC staff to meet requests for special assistance, accommodation, modifications, auxiliary aids, translation, or interpretation services.

NOTE: MATERIALS FOR THIS AGENDA WILL BE AVAILABLE FOR REVIEW IN THE ADC OFFICE, 235 S. BERETANIA STREET, SUITE 205, HONOLULU, HAWAII 96813 ON AND AFTER NOVEMBER 27, 2024.

Agribusiness Development Corporation Non-Discrimination Statement

The Agribusiness Development Corporation does not discriminate on the basis of race, color, sex, national origin, age, or disability, or any other class as protected under applicable federal or state law, in administration of its programs, or activities, and the Agribusiness Development Corporation does not intimidate or retaliate against any individual or group because they have exercised their rights to participate in actions protected by, or oppose action prohibited by, 40 C.F.R. Parts 5 and 7, or for the purpose of interfering with such rights.

If you have any questions about this notice or any of the Agribusiness Development Corporation’s non-discrimination programs, policies, or procedures, you may contact:

Mark Takemoto
Acting Title VI Non-Discrimination Coordinator
235 S. Beretania St., Ste 205 Honolulu, HI 96813
(808) 586-0186
dbedt.adc.titlevi@hawaii.gov

If you believe that you have been discriminated against with respect to an Agribusiness Development Corporation program or activity, you may contact the Acting Non-Discrimination Coordinator identified above.

AGENDA

- A. Call to Order
 - B. Approval of Minutes
 - 1. None
 - C. Chairperson's Report
 - 1. None
 - D. Committee & Permitted Action Group Reports
 - 1. None
 - E. Action Items
 - 1. Request to approve the report and findings of the goals and objectives for the executive director permitted interaction group
 - 2. Request to approve the report and findings of the land opportunities project on the island of Kauai permitted interaction group
 - F. Informational Items
 - 1. None
 - G. Adjourn
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The Board may go into executive session on any agenda item pursuant to the exceptions provided under section §92-5, Hawaii Revised Statutes.

STATE OF HAWAII
**AGRIBUSINESS DEVELOPMENT
CORPORATION**

E-1

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
December 6, 2024

Subject: Request to approve the reports and findings of the goals and objectives for the executive director permitted interaction group

Applicant: Agribusiness Development Corporation

Authority: Section 163D-4(a)(15), Hawaii Revised Statutes

Respectfully Submitted,

Ingrid Hisatake

INGRID HISATAKE
Secretary III

Approved for Submittal:



Wendy Gady
Executive Director

State of Hawaii, Agribusiness Development Corporation
Performance Objectives and Goals for Fiscal Year 2024 to 2025 (July 1, 2024 to June 30, 2025) for
Executive Director Wendy Gady

For Use In Addressing December 6, 2024 Agenda Item E-1, Request to Accept and Approve the report and findings of the Executive Director Evaluation permitted interaction group.

At the September 19, 2024, the Board was provided copies of the last few years of executive director evaluations for the former executive director. The new Executive Director Evaluation permitted interaction group presented its report and recommendations to the Board. From that report and recommendation, specific ED goals and objectives have been created for each category established by the ED evaluation group. These specific goals and objectives are provided for the Board's consideration.

The First ED evaluation group presented the following findings and recommendations:

Staff Development: Continue fostering a high performance team through mentorship, coaching, and professional growth opportunities. Clarify priorities for staff to better manage tasks. Specific goals include:

Continue to hold staff meetings on at least a bi-weekly basis.

Develop methods for cross-training in order to lessen the work load on individual staff members who may be overloaded due to their experience and length of service to ADC.

Provide educational experiences for staff through the State of Hawaii Human Resource Development classes or private continuing education opportunities.

Maintain a system of monitoring work assigned to individual staff members and check-in with staff at least quarterly to evaluate if work load is appropriate. Redistribute work as necessary to ensure workload is evenly distributed.

Hire new an employee with the specialized skills necessary for grant writing. This may require re-describing a vacant position or seeking legislative support for a new position.

Leadership: Lead with clear communication, transparency, and a commitment to ADC's mission. Serve as a role model for courage, perseverance, and willingness to learn.

Assign a staff member to each permitted interaction groups to facilitate organization and communication between the ED, staff, and the permitted interaction group.

Complete the acquisition of the Dole Wells. This has been an outstanding item for several years and still has not been completed. This acquisition will increase water availability for Galbraith.

Follow-up on other projects that remain uncompleted by the former executive director such as the purchase and installation of the HPP machine and completing a readily accessible list of ADC properties, assets, tenants.

Management: Execute the strategic plan effectively; improve organizational efficiency; and address outstanding audit issues.

The audit revealed many areas where ADC needed to improve. One of the audit findings was the lack of organization regarding files, both physical and electronic. A lack of file organization was demonstrated with the HDOA ag park leases that were transferred to ADC in 2021 but were never flagged as needing to be transferred to ADC licenses due to the elimination of the Kekaha ag park, and transfer of the property for purposes of diversified agriculture.

Develop systems for storage and retrieval of physical files for land licenses/leases, and contracts, along with a system of transferring hard copies to electronic files.

Develop an ADC specific records retention policy.

Board Relations: Maintain open communications with the Board; and align with expectations and priorities; Provide regular updates on progress and implement board directives collaboratively.

Continue to provide weekly updates to the Board and CIP spreadsheet.

Ensure that the ED reports are added to the ADC website weekly.

Work with staff to ensure board submittals contain relevant, accurate, timely, and complete information.

Personal Development: Further develop delegation skills; seek personal and professional growth; and enhance communication by balancing detailed information with concise summaries. Advocate within the state legislature to address misperceptions about ADC's professionalism and commitment to its mission.

Use discretion when determining if meetings with groups, committees, organizations, and the public require the ED's participation or whether it can be delegated to a staff member, in order to be available to address urgent situations as they arise or raise awareness of staff needs.

Enhance public image of ADC by improving communication skills with the media or seek educational opportunities to develop proficiency in public relations.

The Second ED evaluation group presents the additional following recommendation:

Demonstrate Fiscal Responsibility: Continue to work with staff and stakeholders to fulfill the Board of Directors focus on fiscal responsibility and demonstrate accomplishment of that focus.

Uphold Fiscal Stewardship:

Collaborate with staff and stakeholders to align with the Board of Directors' priority on fiscal responsibility. Highlight measurable accomplishments that reflect this focus.

Annual Budget Review and Analysis:

Conduct a thorough review and analysis of the budget each year in preparation for drafting the fiscal year budget. Partner with the Board of Directors and the Department of Business, Economic Development, and Tourism (DBEDT) to refine and finalize the budget.

Five-Year Capital Improvement Plan (CIP):

Develop a five-year CIP plan annually based on the approved budget, past accomplishments, and identified needs. Work closely with the Board of Directors and DBEDT to ensure alignment with organizational goals.

Legislative Obligation Analysis:

Perform an annual analysis of completed legislative obligations and remaining commitments. Maintain a running comparison of lapsed funds to track progress and accountability effectively.

Asset Tracking and Management:

Leverage the Yardi software program to monitor and analyze assets, including land acquisitions, land released for applications, and turnover. Use this data to inform strategic decisions and maintain transparency in asset management.

Retain the ED for another year.

Determine if salary should remain the same or should be increased as incentive to continue excellent work that has been provided over the last year.

All state employees were given a cost of living increase last year – the ED's salary remained the same. The ADC budget allows for the ED salary to be increased to \$156,960 for FY 2025.

We propose a parity pay increase retroactive to July 1, 2024.

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-2

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
December 06, 2024

Subject: Request Board approval of the Land Application permitted interaction group's findings and recommendations for developing a program for small, disadvantaged farmers on Kauai

Applicant: Agribusiness Development Corporation (ADC)

Authority: 163D-4(a)(5), Hawaii Revised Statutes

BACKGROUND:

On March 19, 2024, the ADC solicited applications from interested farmers to fill the remaining vacant farm lots on Oahu and Kauai. Using their discretion and expertise, the committee evaluated the land applications and awarded points for each of the following categories: Experience, Marketability of Products, Finances, Business Plan and Farming Practices.

In total, the ADC received 43 land applications. Of the 43 land applications received, only 7 met or exceeded the minimum score established.

On November 21, 2024, the ADC Board established a second permitted interaction group to consider a potential land opportunity project for small and disadvantaged farmers on Kauai who may be imminently displaced from their current farming operations and did not meet the minimum qualifications and/or submitted a land application after the May 3, 2024 deadline.

FINDINGS:

Findings #1:

The ADC Board identified available land in Kekaha and Kalepa as an ideal location for this program.

- A. Size: Various Gross Acres that is usable for diversified farming. Minimum size lot for diversified agriculture operation is 10 acres.
- B. Location: Kekaha and Kalepa
- C. Water source: water is readily available on Kekaha, while Kalepa has no available water. A possible second water source on Kalepa is an irrigation ditch: The Licensee is also responsible for the development of the irrigation water infrastructure, including transporting water and constructing its own water storage onsite.
- D. Condition of property: The land on Kalepa is overgrown with grass and tall trees. The land will require clearing before any agricultural activities can begin and will be issued "as is." The Licensee is responsible for developing the land in accordance with applicable laws and license provisions. The Kekaha land is readily available for farming.

Finding #2:

In total, the ADC received 6 land applications for Kauai. Of the 6 land applications received, 3 did not meet the minimum qualification established. Many of these farmers are small and disadvantaged farmers on Kauai who may be imminently displaced from their current farming operations (see Exhibit A).

Finding #3:

Based on the size of available lands and the number of applicants remaining, ADC needs to establish a selection criterion based on merit to ensure ADC selects the top applicants based on their experience, marketability of product, finances, business plan, and farming practices.

Finding #4:

A minimum and maximum size for field crops should be established so that the farmers have enough area to implement crop rotation with cover crops and other non-food crops for pest mitigation. Furthermore, the committee believes it's important to accommodate as many small, disadvantaged farmers as possible, and that the farmer has enough farmland to achieve the economies of scale.

RECOMMENDATIONS:

The discussion suggested that a selection criterion for this program to support small, disadvantaged farmers on Kauai is needed. The committee's recommendations for the Board's review and consideration are summarized below:

Recommendation #1:

ADC shall use the list of applications already received prior to 10-16-2024 and select the highest-rated applicants. The applicants shall meet the criteria of small and disadvantaged, which is defined by the United States Department of Agriculture as a socially disadvantaged farmers and ranchers (SDFRs) as those belonging to groups that have been subject to racial or ethnic prejudice. SDFRs include farmers who are Black or African American, American Indian or Alaska Native, Hispanic or Latino, and Asian or Pacific Islander. For some but not all USDA programs, the SDFR category also includes women.

Recommendation #2:

The Committee suggest that ADC limits the program to truck crop farmers.

Recommendation #3:

The Committee proposes a minimum size of 10 acres and a maximum size of 100 acres for field crops.

DISCUSSION:

ADC's goal is to develop a program to support small, disadvantaged farmers and select the most qualified applicants and award land licenses to agricultural operators who can help ADC double the local food production. Establishing a program to assist small, disadvantaged farmers will help ADC address its statutory mandate to increase access to farmland for small local farmers and cooperatives. A request to adopt the recommendations of the Land Application permitted interaction group for developing a selection criterion for the small, disadvantaged farmer program shall be presented at the next ADC Board meeting.

Request approval of the Land Application permitted interaction group's findings and recommendations for developing a program for small, disadvantaged farmers on Kauai

December 6, 2024

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RECOMMENDATION TO BOARD:

Based on the foregoing, staff recommends that the Board accept the findings and recommendations of the Land Application permitted interaction group for selecting applicants for the small, disadvantaged farmer program on Kauai.

Respectfully Submitted,



ROGER CLEMENTE

Property Manager

Approved for Submittal:



WENDY L. GADY

Executive Director

Exhibit A

ADC LAND APPLICATIONS SMALL DISADVANTAGED TRUCK CROP FARMERS

	NAME	FARMING EXPERIENCE	DEMAND/ MARKET SIZE	IMPORT REPLACE MENT	ADEQUATE FINANCING	BUSINESS PLAN	GOOD AGRICULTURE PRACTICES	TOTAL	MAX	PERCENTAGE
1	ALOUN KAUAI FARMING LLC - ALEC SOU - 1107 Acres - Kekaha, Kauai	59	40	40	146	58	9	352.00	400	88.00%
2	TENG DA INC - YIDA ZENG - 200 Acres - PU-14 & PU-04, Oahu	58	40	36	140	58	7	339.00	400	84.75%
3	XIANZHI ZHAO - 10 Acres - Galbraith, Oahu	58	40	34	137	53	6	328.00	400	82.00%
4	MAUKELE RANCH - RON DEREIS & BRIDGET NAPIER - 511 Acres, Wahiawa, Oahu	59	40	38	115	56	0	308.00	400	77.00%
5	KAUAI TARO - 95 Acres - Kekaha, Kauai	48	40	40	128	52	0	308.00	400	77.00%
6	SCOTT WONG KAUAI - 1000 Acres, Kekaha, Kauai	54	38	34	120	55	0	301.00	400	75.25%
7	SCOTT WONG OAHU - 100 Acres - Wahiawa, Oahu	54	38	34	120	55	0	301.00	400	75.25%
8	Chanchai Phoathaisong - 10 acres - Oahu	43	40	35	125	38	5	286.00	400	71.50%
9	KUNHU XIONG - 160 Acres - Parcel 14, Oahu	51	40	34	104	53	3	285.00	400	71.25%
10	LAO AQUA FARM - NORA SISOUNTHONE - 10 Acres - Wahiawa, Oahu	52	35	30	115	42	4	278.00	400	69.50%
11	THANAWAT CHAK ANO - 50 to 80 Acres - Kekaha, Kauai (Parcel 17)	56	35	35	100	47	0	273.00	400	68.25%
12	KHAJORNSAK HANPROMKITTI & SOMTHIAN ARSANOK - 30 Acres - Wahiawa, Oahu	43	40	35	120	34	0	272.00	400	68.00%
13	Suraphon Suwana - 10 acres	43	40	35	114	35	5	272.00	400	68.00%
14	SILA FARMS (CO-OP) - 30 Acres - Parcel 16 Pa'a la a uka, Oahu	47	40	32	103	45	4	271.00	400	67.75%
15	KIATTISAK KULCHARO - 30 Acres - Wahiawa, Oahu	47	40	30	97	52	4	270.00	400	67.50%
16	PHEN KHAEPHUTCHA - 40 to 80 Acres - Wahiawa, Oahu	45	40	38	95	48	3	269.00	400	67.25%
17	SANYA PANHAPHON 17B (CO-OP) - 130 Acres - Wahiawa, Oahu	45	40	37	125	20	2	269.00	400	67.25%
18	THANONGSAK & PHANNEE CHUMPHANG - 50 Acres - Parcel 16 Pa'a la a uka, Oahu	42	40	37	100	40	7	266.00	400	66.50%
19	TAWORN PANYAMEE - 20 Acres - Kekaha, Kauai	57	39	34	103	33	0	266.00	400	66.50%
20	SOPHIA NUANBUNMA - 20 Acres - Wahiawa, Oahu	48	40	35	105	37	0	265.00	400	66.25%
21	Rungnapa Haoharn - 10 acres - Oahu	41	40	35	109	32	5	262.00	400	65.50%

	NAME	FARMING EXPERIENCE	DEMAND/ MARKET SIZE	IMPORT REPLACE MENT	ADEQUATE FINANCING	BUSINESS PLAN	GOOD AGRICULTURE PRACTICES	TOTAL	MAX	PERCENTAGE
22	SUPPHASIT YASAKA - 30 Acres - Kalepa, Kauai- DECLINED	57	40	37	95	25	7	261.00	400	65.25%
23	THIRAWAT & MANREET VONGCAMMAR - 50 Acres - Parcel 16 Pa'a la a uka, Oahu	51	40	35	85	40	5	256.00	400	64.00%
24	Komkwan Moses - 10 acres - Oahu	38	39	34	108	32	5	256.00	400	64.00%
25	LONG SPOON FARMS - KALEO - 5 Acres - Waimanalo, Oahu	40	30	30	105	50	0	255.00	400	63.75%
26	ANURAT FARM LLC. - WARAWUT TRUATNOK - 40 Acres - Wahiawa, Oahu	45	40	30	100	35	2	252.00	400	63.00%
27	JANNARONG TRUATNOK & JIUNSIRI SRIHABUT - 30 Acres - Wahiawa, Oahu	43	40	35	97	37	0	252.00	400	63.00%
28	SURIWONG CHAIYACHET - 50 Acres - Parcel 16 Pa'a la a uka, Oahu	39	40	32	105	35	0	251.00	400	62.75%
29	SID PRODUCE #17D (CO-OP)	45	40	32	105	20	2	244.00	400	61.00%
30	LIU'S PLANTATION - DEHUA LIU - (PU-14) No Acres Listed, Wahiawa, Oahu	47	40	40	83	30	0	240.00	400	60.00%
31	PHIROM & THONG ON KRINSOONGNOEN - 20 Acres - Wahiawa, Oahu	41	30	30	110	29	0	240.00	400	60.00%
32	LAOS SUGAR CANE JUICE - PADTHANA HANSANA - 6 Acres - Galbraith, Oahu	39	33	33	105	25	0	235.00	400	58.75%
33	THONG DAM & PATARAWAT RATCHAM - 30 Acres - Parcel 16 Pa'a la a uka, Oahu	46	40	30	80	35	3	234.00	400	58.50%
34	WEETASAK KHOTKHAM & MALAI WAN - 20 Acres - Parcel 16 Pa'a la a uka, Oahu	46	40	30	85	27	3	231.00	400	57.75%
35	ERIK K. HORN - 5 Acres - 1938 Wilikina Drive, Oahu	39	38	25	75	45	8	230.00	400	57.50%
36	KEALA FOUNDATION - 600 Acres - Waimea, Kauai	40	30	15	110	25	2	222.00	400	55.50%
37	WILAWAN KUNDET - 5 Acres - Parcel 16 Pa'a la a uka, Oahu	39	34	29	95	24	0	221.00	400	55.25%
38	MAY K. MAHARATHE - No phone number listed -5 Acres-Wahiawa, Oahu	35	35	35	90	25	0	220.00	400	55.00%
39	VINCENT HU SINGHA NA (CO-OP)	45	35	32	75	25	2	214.00	400	53.50%
40	Samart Khotwongthong - 10 acres - Oahu	32	30	25	78	22	5	192.00	400	48.00%
41	JATURONG & BUAON JAI RUAN - Unknown Acres & Location	25	37	17	70	27	2	178.00	400	44.50%
42	HAWAII MUSHROOM FARM - MIMI LAI - 2 Acres - Wahiawa, Oahu	22	40	40	35	16	0	153.00	400	38.25%
43	JAYJAY SAGUCIO - Unknown Acres & Location - Information not on application	43	23	23	25	10	0	124.00	400	31.00%