

AGRIBUSINESS DEVELOPMENT CORPORATION

Minutes of the Special Board of Directors Meeting held Virtually on December 6, 2024

Via Zoom Teleconference and In-Person at 235 S. Beretania Street, Suite 405, Honolulu, HI 96813

Pursuant to section 92-3.7, Hawaii Revised Statutes (HRS), this meeting was held remotely with Board members, Staff, Applicants, and the Public participating via Zoom meeting venue, and an In-Person meeting location available for public participation at the State Office Tower, 235 S. Beretania Street, Suite 405, Honolulu, HI 96813

Members in Attendance, virtually:

Lyle Tabata, Kauai County member (Chair)

Jesse Cooke, Honolulu City and County member (Member Cooke)

Glenn Hong, member-at-large (Member Hong)

Sharon Hurd, HBOA ex officio member (Member Hurd)

Dean Okimoto, member-at-large (Member Okimoto)

Jason Okuhama, member-at-large (Member Okuhama)

Karen Seddon, member-at-large (Member Seddon)

Nathan Trump, Hawaii County member (Member Trump)

Dane Wicker, designee for DBEDT ex officio member James Tokioka (Member Wicker)

Members Excused:

Jayson Watts, Maui County member

Ryan Kanaka'ole, designee for DLNR ex-officio member Dawn Chang

Counsel Present, virtually:

Jennifer Waihee-Polk, Deputy Attorney General (Ms. Waihee-Polk)

Delanie Prescott-Tate, Deputy Attorney General

Staff Present, virtually:

Wendy Gady, Executive Director (Ms. Gady)

Mark Takemoto, Sr. Executive Assistant

Ken Nakamoto, Project Manager

Ingrid Hisatake, Executive Secretary

Roger Clemente, Property Manager (Mr. Clemente)

Lyle Roe, Asset Manager

Guests Present, virtually:

ADC Guest

iPhone

Amy's AI Notetaker

Joshua Uyehara, Kekaha Agriculture Association

Malachi Burrows

Guests Present, In-Person

Kaho'opi'i, Sovereign Kingdom of Hawaii

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A. Call to Order:

Chair called the meeting to order at 2:03 P.M.

Chair conducted a roll call of the Board. Chair called the name of each Board member and asked them to acknowledge their presence and state who if anyone over the age of eighteen was present in the room with them. The roll call served as a roll call vote and for each subsequent vote Chair would ask if there were any objections or abstentions. If there were none, the motion would be approved on the same basis as the initial roll call.

Chair, Member Cooke, Member Hong, Member Hurd, Member Okimoto, Member Okuhama, Member Seddon, Member Trump, and Member Wicker acknowledged their presence with no one in the room with them.

B. Approval of Minutes

1. None

C. Chairperson's Report

1. None

D. Committee Reports & Permitted Interaction 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**

Chair stated that due to his error, this item was being deferred to a later meeting.

2. **Request to approve the report and findings of the land opportunities project on the island of Kauai permitted interaction group**

Chair stated that he needs to correct the title of this agenda item. Agenda item E-2 should read "Request to approve the findings and recommendations of the Land Application permitted interaction group for selecting applicants for the small, disadvantaged farmer program on Kauai."

Chair called for a motion to approve.

Motion by Member Wicker; Second by Member Trump.

Chair called on Mr. Clemente for the staff presentation.

Mr. Clemente stated that the Board established a second permitted interaction group to consider a land opportunity project for small and disadvantaged farmers on Kauai using the land applications that were previously received but did not score high enough to be considered for the first round of land awards. The second permitted interaction group was to develop additional criteria to be used for a program to support small, disadvantaged farmers on Kauai. On

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December 5, 2024, the second Permitted Interaction Group to Consider a Land Opportunity Project for Small and Disadvantaged Farmers on Kauai gave its report, findings, and recommendations to the Board. There were three recommendations: 1) That ADC use the list of land applications received prior to October 16, 2024 to select the top rated applicants using criteria developed by the United States Department of Agriculture (USDA) for socially disadvantaged farmers and ranchers; 2) limit the program to truck crop farmers; and 3) consider minimum size lots of ten acres and maximum size lots of one hundred acres.

Chair asked if anyone from the public wished to give testimony. There was none.

Chair asked if there was any Board discussion.

Member Wicker asked if this was only for Kauai.

Mr. Clemente responded yes, for Kauai only.

Member Wicker asked if there were any farmers looking for land in Kekaha.

Mr. Clemente confirmed the farmers sought land in Kekaha.

Chair asked what additional information they're looking for the disadvantaged farmer versus the original farmers list that were already reviewed. What criteria would allow the applicant a change in status to move forward.

Mr. Clemente replied that using the applicant list, those with the highest score, and work their way down applying the USDA socially disadvantaged farmer criteria.

Ms. Gady commented that there was a minimum threshold, then looking at the USDA definition of small and disadvantaged farmers. Some of their financials may not be as strong as somebody who's been farming for ten, twenty, thirty years, and recognizing there's a cultural barrier, some people tend to downplay how successful their farms are. Sometimes the information they put in the application may not be representative of what's actually happening on the farm. When the permitted interaction group went out and actively looked at the farm, met with the people, looked at their farming practices, often times an entirely different story emerged.

Member Cooke commented that more than half of these farmers were above \$50,000 in sales. To give you a sense of what that means, only 12% of farmers in Hawaii are over \$50,000 in sales. These are mid-sized farmers by Hawaii standards; they're not just small backyard folks. They're really producing a good amount of food.

Chair stated that during some actual site visits these small farmers thoroughly impressed him.

Member Okimoto stated that a lot of the farmers on Kauai are already food safety certified. There are two major farmers on Kauai that are losing their land at the end of the year. They need new land so they can start moving their trees. These two are food safety certified, GAP certified, and they're good farmers too.

Chair asked if there was any other discussion.

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Ms. Waihee-Polk requested that the Board move into executive session pursuant to section 92-5(a)(4), HRS, to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities before any action on this agenda item was taken.

Chair called for a motion to go into executive session.

Motion by Member Wicker; Second by Member Trump.

Chair asked if anyone from the public wished to give testimony regarding the decision to go into executive session. There was none.

Chair conducted a roll call vote. Chair, Member Cooke, Member Hong, Member Hurd, Member Okimoto, Member Okuhama, Member Seddon, Member Trump, and Member Wicker voted to approve the motion. Motion unanimously approved: 9-0.

The public meeting was in recess subject to reconvening at the conclusion of the executive session.

Exited the public meeting at 2:22 P.M.

Chair called the meeting back to order at 2:32 P.M.

Chair deferred agenda item E-2 until the next meeting pursuant to section 92-2.5(b)(1)(C), HRS, which requires that deliberation and decision-making on a matter investigated by a permitted interaction group must be held no less than six business days after the meeting where the findings and recommendations of the investigation were presented to the Board. In this case the findings and recommendations of the second Land Application permitted interaction group for selecting applicants for the small, disadvantaged farmer program on Kauai were received yesterday on December 5, 2024.

F. Informational Items

1. None

G. Adjourn

Having no further business before the Board, Chair asked for a motion to adjourn.

Motion by Member Trump; Second by Member Cooke.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 9-0.

Chair adjourned the meeting at 2:33 P.M.