

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

## Notice of Administration Committee Meeting

Held via Teleconference with In-Person Viewing Location

March 28, 2025  
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](mailto: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/85155977072>

Telephone: (669) 900-6833, Webinar ID: 851 5597 7072

In-Person Leiopapa A Kamehameha  
State Office Tower Building  
235 South Beretania Street, Room 205  
Honolulu, Hawaii 96813

### 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](mailto:****@****.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 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. The in-person site will be held at the location noted above

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](mailto: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 NO LATER THAN 48 HOURS PRIOR TO THE START OF THE MEETING (weekends and holidays excluded).**

### **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

*Administration Committee Agenda*  
March 28, 2025

(808) 586-0186  
[dbedt.adc.titlevi@hawaii.gov](mailto: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 & Roll Call
  - B. Approval of Minutes
    - 1. None
  - D. Committee & Permitted Interaction Group Reports
    - 1. None
  - E. Action Items
    - 1. Determine recommendation of the license fee for new Kauai applicants based on current appraisal rates, reported to the Administration Committee on October 14, 2024, for recommendation to the Board of Directors; deferred from October 14, 2024 and again on January 14, 2025
  - F. Informational Items
    - 1. Budget participation by the board for FY27, current schedule for budget discussion
  - 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 ADMINISTRATION COMMITTEE  
March 28, 2025

Subject: Determine recommendation of the license fee for new Kauai applicants based on current appraisal rates, reported to the Administration Committee on October 14, 2024, for recommendation to the Board of Directors; deferred from October 14, 2024 and again on January 14, 2025

Applicant: Agribusiness Development Corporation (Applicant)

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

**BACKGROUND:**

On November 2, 2022, the ADC Board of Directors approved the Land Management Policy & Procedure Manual (Manual). Section 4.1 Rent Setting Policy states, “Rent shall be based on agricultural fair market appraised value, however, the ADC Board may modify the rent rates and schedules, if appropriate.”

Section 4.4 License Re-opening, “In general, it shall be the policy of ADC to issue Licenses with re-opening clauses for the purpose of adjusting the rental rate, every five years with an escalator at 2.5% of current rent. Exceptions may be made with appropriate justification and approval by the ADC Board.”

In 2024, the Agribusiness Development Corporation (ADC) staff commissioned a fair market rent appraisal of various lands located on the islands of Oahu and Kauai. The appraisal report (Report) was received in August 2024 and specifically appraised ADC properties in Kalepa (Kauai), Kekaha (Kauai), Galbraith (Oahu), and Whitmore (Oahu).

At the January 14, 2025 ADC Administrative Committee Meeting the Kauai rent, and CAM rates were not decided. The appraisal was shared with representatives of the Kekaha Agricultural Association and the Kalepa Koalition for review and decision at the next scheduled administration committee meeting.

**REQUEST:**

Determine recommendation of the license fee for new Kauai applicants based on current appraisal rates, reported to the Administration Committee on October 14, 2024, for recommendation to the Board of Directors; deferred from October 14, 2024 and again on January 14, 2025

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Determine recommendation of the license fee for new Kauai applicants based on current appraisal rates, reported to the Administration Committee on October 14, 2024, for recommendation to the Board of Directors; deferred from October 14, 2024 and again on January 14, 2025 March 28, 2025

<b>KEKAHA</b>				
<b>DivAg</b>				
	RENT	CAM	TOTAL	COMMENTS
Appraised	600	117	717	Appraisal Report dated August 2024 conducted by Medusky & Co., Inc. Numbers indicated are \$/acre/year
Current	150	480	630	Based on May 26, 2010 Board decision (see minutes and letter).
Proposed	237	480	717	rationale: use appraised total as cap, less current KAA CAM to establish new ADC rents. Results in \$87/a/y increase.

<b>KALEPA</b>				
<b>DivAg</b>				
	RENT	CAM	TOTAL	COMMENTS
Appraised	600	26	626	Appraisal Report dated August 2024 conducted by Medusky & Co., Inc. Numbers indicated are \$/acre/year
Current	100	18	118	CAM assessed by Kalepa Koalition is approximate.
Proposed	600	25	625	CAM is variable and set by Kalepa Koalition membership to manage security gates and clearing roadside.

<b>KALEPA</b>				
<b>Pasture</b>				
	RENT	CAM	TOTAL	COMMENTS
Appraised	100	26	126	Appraisal Report dated August 2024 conducted by Medusky & Co., Inc. Numbers indicated are \$/acre/year
Current	30	18	48	CAM assessed by Kalepa Koalition is approximate.
Proposed	100	25	125	CAM is variable and set by Kalepa Koalition membership to manage security gates and roadside clearing.

**REMARKS & DISCUSSION:**

The approximate land without land agreements and the potential gross revenue generated is as follows. The information does not include payments for ceded lands.

<u>Kekaha</u>	
Diversified Agriculture land	3,000 acres @ \$237/acre/year = \$711,000 annually
Pasture land	0 acres @ \$100/acre/year = \$0.00 annually
Common Area Maintenance	3,000 acres @ \$480/acre/year = \$1,440,000 annually

*Determine recommendation of the license fee for new Kauai applicants based on current appraisal rates, reported to the Administration Committee on October 14, 2024, for recommendation to the Board of Directors; deferred from October 14, 2024 and again on January 14, 2025 March 28, 2025*

Kalepa

Diversified Agriculture land	160 acres @ \$600/acre/year = \$96,000 annually
Pasture land	0 acres @ \$100/acre/year = \$0.00 annually
Common Area Maintenance	160 acres @ \$25/acre/year = \$4,000 annually

RECOMMENDATION:

Based on the foregoing, it is recommended that the Board:

1. Approve the Request to use the recommended rent rates for new land Lease or License Agreements.

Respectfully Submitted,



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MARK H. TAKEMOTO  
Senior Executive Assistant

*Approved for Submittal:*



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Wendy Gady  
Executive Director

STATE OF HAWAII  
**AGRIBUSINESS DEVELOPMENT  
CORPORATION**

F-1

STAFF SUBMITTAL TO THE ADMINISTRATION COMMITTEE  
March 28, 2025

Subject: Discussion regarding FY2027 ADC initiatives for board input and approval.

Applicant: Agribusiness Development Corporation (Applicant)

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

BACKGROUND:

At the October 11, 2024 Administration Committee meeting, the Admin Committee requested FY2024 budget actuals to compare with the FY2026 budget requests. The discussion and requests were intended to provide the ADC Board input into the ADC budget requests.

REQUEST:

Budget planning schedule.

Timeframe	Report / Action
March	ADC Administration Committee meet to discuss budget initiatives
April	ADC Administration Committee meet to discuss budget initiatives and formulate budget requests
May	ADC Admin Committee adjust budget requests pending outcome of Legislative session
July	ADC Admin Committee adjust budget requests pending outcome of Governor's veto
August	Admin Committee report to full ADC Board requested budget
September	ADC submit to DBEDT budget requests for DBEDT Director's consideration

OPERATIONAL PLAN:

N/A

CONSERVATION PLAN:

N/A

CHAPTER 343:

N/A

DISCUSSION:

0008



Discussion regarding FY2027 ADC initiatives for board input and approval.  
March 28, 2025

RECOMMENDATION:

Based on the foregoing, it is recommended that the Board:

1. Approve the budget initiatives for the 2027 fiscal year.
2. ADC staff to schedule meetings for the Administration Committee to develop report with recommendations to the ADC board of directors.

Respectfully Submitted,



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MARK H. TAKEMOTO  
Senior Executive Assistant

*Approved for Submittal:*



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Wendy Gady  
Executive Director