JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR



WENDY GADY EXECUTIVE DIRECTOR

STATE OF HAWAI'I

AGRIBUSINESS DEVELOPMENT CORPORATION HUI HO'OULU AINA MAHIAI

Notice of Regular Meeting of the Board of Directors

Held via Teleconference with In-Person Viewing Location

APRIL 17, 2025 9:00 a.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/85050074884

Telephone: (669) 900-6833, Webinar ID: 850 5007 4884

In-Person: Leiopapa A Kamehameha

State Office Tower Building 235 South Beretania St, Rm. 204

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.

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.

Board Meeting Agenda April 17, 2025

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. That meeting will be held at:

State of Hawaii, Leiopapa A Kamehameha State Office Tower Building 235 S. Beretania St., Ste 204 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 inperson 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 A MINIMUM OF 48 HOURS (WEEKENDS AND STATE AND FEDERAL HOLIDAYS EXCLUDED) PRIOR TO THE MEETING.

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 & Roll Call
- B. Approval of Minutes
 - 1. Regular Session Minutes, March 3, 2025
 - 2. Regular Session Minutes, March 20, 2025
 - 3. Executive Session Minutes, March 20, 2025
- C. Chairperson's Report
 - 1. None
- D. Committee & Permitted Interaction Group Reports
 - 1. Presentation of the report and findings of the permitted interaction group regarding the Lieutenant Governor's Washington, D.C. trip on March 23-26, 2025
 - 2. Presentation of the report and findings from the standing Administration Committee meeting held on March 28, 2025 regarding the Kauai Rent for new licensees
 - 3. Report on the standing Marketing & Communications Committee inaugural meeting held on April 8, 2025

E. Action Items

- 1. Request for approval to issue a new license agreement to the County of Kauai for 0.25 gross acres, more or less, of land for the certified redemption center operations in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:001 (por.)
- 2. Request for approval to issue a right-of-entry agreement to Longroad Development Company, LLC for energy transmission line research purposes in District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 6-4-003:016, 6-5-002:008, :031, :010, and 7-1-001:003
- 3. Request for approval to issue a new license agreement to ITC Water Management, Inc. for 1.0 gross acre, more or less, of land for base yard purposes in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (1) 1-2-002:001 (por.)

- 4. Request to accept and approve the recommendations of Administration Committee regarding the Kauai Rent Rates for new licensees
- 5. Request for approval to request the set aside of the East Kauai Irrigation System from the Hawaii Department of Land and Natural Resources to the Agribusiness Development Corporation

F. Informational Items

- 1. Update regarding the status of the 2022 land awardees farm development progress
- 2. Presentation by Kimi Makaiau with the University of Hawaii, Community Design Center of the draft report for the Product Innovation Network
- 3. Presentation by Joshua Uyehara of Kekaha Agriculture Association regarding the draft National Pollutant Discharge Elimination System permit for the Mana Plain in Kekaha, District of Waimea, County of Kauai, State of Hawaii
- 4. Mana Up Informational Brief by Meli James
- 5. Executive Director's Report including prior weekly reports (see <u>ADC Website</u> for past weekly reports), Hawaii Farm Fair Rental Rate

G. Adjourn

The Board may go into executive session on any agenda item pursuant to the exceptions provided under section §92-5, Hawaii Revised Statutes.

Minutes of the Board of Directors Meeting held Virtually on March 3, 2025

Via Zoom Teleconference and/or In-Person at 235 S. Beretania St., Suite 200, 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 of Hawai'i, State Office Tower Building, 235 S. Beretania St., Suite 200, Honolulu, HI 96813.

Members Present, virtually:

Lyle Tabata, Kauai County Member (Chair)

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

Glenn Hong, Member-At-Large (Member Hong)

Sharon Hurd, Ex-Officio Member for HBOA (Member Hurd)

Ciara Kahahane, Designee for DLNR, Ex-Officio Member Ms. Dawn Chang (Member Kahahane) (entered the meeting at 2:00 p.m.)

Dean Okimoto, Member-At-Large (Member Okimoto)

Jason Okuhama, Member-At-Large (Member Okuhama)

Karen Seddon, Member-At-Large (Member Seddon) (entered the meeting at 1:06 p.m.)

Nathan Trump, Hawaii County (Member Trump)

Jayson Watts, Maui County Member (Member Watts)

Dane Wicker, Designee for DBEDT, Ex-Officio Member James Tokioka (Member Wicker) (entered the meeting at 1:07 p.m.)

Members Excused:

None

Counsel Present, virtually:

Delanie Prescott-Tate, Deputy Attorney General (Ms. Prescott-Tate)

Staff Present, virtually:

Wendy L. Gady, Executive Director (Ms. Gady)

Mark Takemoto, Sr. Executive Assistant (Mr. Takemoto)

Ken Nakamoto, Project Manager (Mr. Nakamoto)

Lyle Roe, Asset Manager (Mr. Roe)

Roger Clemente, Property Manager (Mr. Clemente)

Ingrid Hisatake, Executive Secretary

Frankie Empeno, Contracts Manager

Guests Present, virtually:

ADC Guest

Hannah Valencia

iPhoneDean

Jason Thune

Jessie Kalahui

Joshua Uyehara (Mr. Uyehara), Kekaha Agriculture Association (KAA)

Kimi Makaiau, (Ms. Makaiau), University of Hawaii Community Design Center (UHCDC)

LiddellKE

Mark Ladao

Minutes of the Board of Directors Meeting held Virtually on March 3, 2025 Via Zoom Teleconference and/or In-Person at 235 S. Beretania St., Suite 200, Honolulu, HI 96813

Nick Azari (Dr. Azari), Hawaii Sustainable Agricultural Products, LLC Patricia Tummons Thomas Heaton Trisha Yamato

Guests Present, physical location:

None

A. Call to Order

Chair called the meeting to order at 1:02 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. Chair stated that the roll call served as a roll call vote, and for each subsequent vote, he would ask if there were any objections or abstentions. If there were no objections or abstentions the motion would be approved on the same basis as the roll call.

Roll call: Chair, Member Cooke, Member Hong, Member Hurd, Member Okimoto, Member Okuhama, Member Trump, and Member Watts acknowledged their presence with no guests present. Member Seddon entered the meeting at 1:06 p.m. Member Wicker entered the meeting at 1:07 p.m. Ms. Kahahane arrived at 2:00 p.m.

B. Approval of Minutes

Chair noted that approval of all the minutes were deferred until the next meeting.

- 1. Regular Session Minutes, November 21, 2024 Deferred.
- 2. Executive Session Minutes, November 21, 2024 Deferred.
- 3. Regular Session Minutes, December 5, 2024 Deferred.
- 4. Executive Session Minutes, December 5, 2024 Deferred.
- 5. Regular Session Minutes, January 16, 2025 Deferred.

C. Chairperson's Report

1. None

D. Committee Reports

1. Presentation of report and findings of the value-add permitted interaction group, deferred from December 5, 2024, and January 16, 2025

Chair called on Member Watts to provide the findings and recommendations of the valueadd permitted interaction group.

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> Member Watts reported that the group has worked to identify opportunities for ADC to strengthen Hawaii's agricultural sector through value added initiatives. Our goal was to create sustainable, long term solutions that enhance food security, farmer profitability, and address modernization of agriculture infrastructure. Member Cooke, Member Wicker and myself discussed ADC's vision under chapter 163D to develop value added agriculture opportunities that provide economic, environmental, and social benefits. We looked at ADC's role in land acquisition, infrastructure development, farmer support services, and shared processing facilities. Some of the value add support involved improving access to processing, packaging, and logistics services, and the potential expansion of existing initiatives like the central Oahu agriculture and food hub and the Wahiawa value-added product development center, the Food and Product Innovation Network (FPIN) connecting farmers to processing equipment, business guidance and certifications, preprocessing, cold storage, addressing supply chain inefficiencies, farmer training, and business development. Another area, enhancing market access and food security. The establishment of regional aggregate facilities to improve collection, preprocessing and distribution hubs are critical for supporting institutional buyers like the Department of Education (DOE) for school meal programs, expansion of food safety training to meet USDA standards, ensuring that Hawaii's farmers have access to larger markets and development of distribution and packaging services to reduce transportation costs. Acquiring land for expansion on Maui, Molokai, and Hawaii Island. Statewide agriculture asset mapping to identify infrastructure investment gaps. Continue legislative advocacy to secure funding for agriculture expansion projects, and establish value added processing on all islands, investment in ag innovation, market research, workforce development, and diversification of protein production. Strengthen partnerships and resource sharing. Ensuring more transparency and accountability. These recommendations will position ADC as a leader in advancing Hawaii's ag sector through smart investments, targeted support for farmers, and strong public private partnerships. The full report is attached to the submittals.

Ms. Prescott-Tate noted that Member Seddon joined the meeting at 1:06 p.m. and Member Wicker joined the meeting at 1:07 p.m.

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

Chair asked if there was any Board discussion. There was none.

Chair noted that after giving the report, the value-add permitted interaction group was dissolved.

2. Presentation of report and findings of the land license permitted interaction group

Chair called on Mr. Clemente to provide the report and findings of the land license permitted interaction group.

Ms. Gady interjected that the members of the land application permitted interaction group were Chair, Member Cooke, Member Okimoto, and Member Trump. There's a report attached to the submittal. There's a recommendation that 23 farmers receive a land license, starting from the highest scorer until all the land is licensed. Those who are not

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recommended for a license may meet the definition of small, disadvantaged farmer and staff will develop specific parcel assignments for those applicants. Staff will work with the farmers to develop the farm assignments and issue rights-of-entry. The Board is receiving the report today and the vote on accepting or not accepting the report will occur at the regularly scheduled March 20th Board meeting.

Chair asked if there was anyone from the public who wished to provide testimony. There was none.

Chair asked if there was any Board discussion. There was none.

Chair noted that the land application permitted interaction group was dissolved.

3. Presentation of report and findings of the executive director (ED) evaluation for pay increase & goal setting for fiscal year 2025 and fiscal year 2026 permitted interaction group

Chair called on Member Okuhama to provide the report, findings and recommendations of the executive director evaluation for pay increase and goal setting for fiscal year 2025 and fiscal year 2026 permitted interaction group.

Member Okuhama stated that at the January 16th Board meeting, Chair asked the Board to approve the request to set up an ED evaluation pay increase and goal setting for fiscal year 2025 and 2026. We focused on FY2025 because the Board was quite behind on goals and objectives for the ED, which will be ending June 30, 2025. We moved quickly in doing our evaluation and goal setting for the ED. We reviewed the prior permitted interaction group's goals with the staff input and used some of the recommendations. We also looked at the current ED self-evaluation and we established SMART goals for fiscal year 2025. The ED Evaluation Group was Chair, Member Wicker, and myself. We completed the FY2025 evaluation and goals, but we did not do FY2026. After the Board approves the FY2025 evaluation then we can address the FY2026 evaluation. The ED evaluation permitted interaction group recommends the Board adopt and approve the performance goals and objectives set forth on pages 016-020 of the submittal. The ED evaluation group further request that a new ED evaluation permitted interaction group be created to complete the following tasks: establish FY2026 goals for the ED. Ensure that the ED goals and objectives are approved before the new fiscal year starts on July 1st. Evaluate the ED, make a recommendation whether to retain the ED for another year, and make a salary recommendation.

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

Chair asked if there was any Board discussion. There was none.

Chair stated that the vote to approve or not approve the report would be at the next meeting and dissolved the FY2025 ED evaluation permitted interaction group.

E. Action Items

Minutes of the Board of Directors Meeting held Virtually on March 3, 2025 Via Zoom Teleconference and/or In-Person at 235 S. Beretania St., Suite 200, Honolulu, HI 96813

1. Request to rescind prior board approval of a land license to University of Hawaii, College of Tropical Agriculture and Human Resources for weather recording purposes in Paalaa-uka, District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 6-4-003:016 (por.)

Chair called for a motion to approve.

Motion by Member Wicker; Second by Member Okuhama.

Chair called on Mr. Roe for the Staff presentation.

Mr. Roe said back in 2017 Costco Corporation approached ADC seeking to develop a farm on parcel 16, just north of Wahiawa, using local farmers and offering some of their own expertise to develop produce for their stores. When the pandemic hit Costco canceled the project. Costco gifted their weather station that was collecting data to the University of Hawaii (UH). UH requested a license and the Board approved the request. That's where it stopped. UH never executed the license and we've received no comment ever since. This is the parcel that we're looking at putting some of the disadvantaged farmers. Staff requests that the Board rescind their prior approval for the weather station so we can begin to clear the property.

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

Chair asked if there was any Board discussion.

Member Wicker asked what was the footprint of the weather station; is it a few square feet? Has anyone spoken to the new dean of CTAHR [College of Tropical Agriculture and Human Resilience]. ADC and DBEDT are working on commodity mapping and maybe this weather station may help with that research.

Mr. Roe said his understanding was that UH had another location in mind on Kauai. ADC has had discussions with UH. The footprint is 0.19 acres. It's fenced-in. The weather station is footed, but not a substantial installation. It should be moveable.

Chair asked if there was any more discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 10-0.

2. Request for approval to refer License Agreement No. LI-GA2013 issued to Glory Herb Hawaii, LLC, to the Department of the Attorney General for possible legal action due to rent and water delinquency, District of Wahiawa, City and County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-012:001 (por.)

Chair called for a motion to approve.

Motion by Member Cooke; Second by Member Hong.

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Chair stated that he was just informed that the ADC offices had lost power.

Chair called a recess until 2:00 p.m.

Public meeting recessed at 1:30 p.m.

Public meeting reconvened at 2:00 p.m.

Member Kahahane joined the meeting at 2:00 p.m.

Chair called the meeting back to order and resumed the meeting where we left off before the power went out. Mr. Roe was about to give the Staff presentation on Action Item E-2.

Mr. Roe said Glory Herb Hawaii has accrued a backlog of unpaid rent and water. Just before the meeting they did bring themselves current. Staff recommends that the matter still be referred to the Attorney General's Office. Exhibit C attached to the submittal does not include late fees, service fees, and interest. If the Board in interested in the calculations for the late fees they are available to share on screen.

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

Member Cooke said he would like to see the late fee calculations.

Mr. Roe provided the delinquency totals.

Member Cooke said it appears that they are not farming but they have a lot of water charges in 2024.

Mr. Roe responded that they were farming at various points, on and off. They only stopped four or five months ago and they plan to restart their farming operation.

Member Okuhama asked if there were part-time or full-time farmers.

Mr. Roe replied that there had been issues with the farm manager. They want to resume full-time farming.

Member Hong stated so they brought in checks to clear their balance, but he would still like it referred to the attorney general. He was concerned that they let the arrears get so large without making an attempt to pay until the threat of termination. It seems that this matter should have been brought to the Board much earlier.

Mr. Roe agreed. The backlog occurred during his transition from property manager to asset manager and it got overlooked.

Member Okimoto agreed that any arrearage should be monitored more closely.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 11-0.

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3. Request to accept and approve the recommendations of the Administration Committee to update fair market rents for new agricultural lease rates for the island of Oahu, State of Hawaii

Chair Tabata called for a motion to approve.

Motion by Member Wicker; Second by Member Cooke.

Chair called on Mr. Takemoto for the Staff presentation.

Mr. Takemoto said that according to the ADC Policy and Procedure Manual, ADC commissioned an appraisal to determine the 2025 agricultural fair market value of land on Oahu. The Administration Committee met on October 11, 2024, and January 14, 2025 to recommend a new land license rate for Oahu to the Board. The proposed land license rate was presented to the Board the January 16, 2025 meeting. It was recommended that the Oahu rental rate be increased to \$1,800 per acre per year for new licensees. There's a table on submittal page 034 that shows the common area maintenance (CAM) fee of \$594 per acre per year. The total recommendation was \$2,394 per acre per year. Staff requests that the Board approve the new rates.

Chair asked if there was anyone from the public who wished to testify. There was none.

Chair asked if there was any Board discussion.

Member Wicker asked who did the appraisal and what method was used to set the rent and CAM.

Mr. Takemoto replied that the appraisal was done by Medusky. They are qualified appraisers and follow all the appraisal standards. ADC has used them before. They come to the findings by comparing similar properties and interviewing similar landowners.

Member Wicker asked if they were private landowners because he wanted to make sure we were comparing apples to apples. ADC's mission is not the same as private landowners who are looking for a return on their investment. ADC's focus is investment in the farmers, food security, food production.

Mr. Takemoto said the appraisal was to determine the fair market value of the land. It is up to the Board to decide what to do with that information. The fair market rates are based on what the market will bear; what the farmers are paying now to lease agricultural land in central Oahu. The policy says we charge the fair market rate, but the Board can always make an exception to that. ADC offers rent credits and those types of things to provide lower rates. That's up to the Board to decide. The Admin Committee considered the appraisal and came up with the recommendation.

Member Wicker asked if someone from the appraisal company was present to talk about the work they did.

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Mr. Takemoto said they were present when the matter was presented to the Admin Committee. This meeting is to accept or not accept the recommendation.

Ms. Gady interjected that land owners regularly approach other landowners to talk about the current market value. Ultimately it's up to the Board on what policy the Board wants or how the Board wants to carry things out.

Member Hurd added that in cases where federal grants are involved, State agencies must charge fair market rent. If ADC is going to seek federal grant assistance to subsidize operations we will be required to charge fair market rents to assure sufficient revenue.

Member Okimoto said charging fair market rent is required when DHHL is involved too. ADC would have to share that revenue. He believes the rate is fair, even though it is a substantial raise from what it is now.

Member Hong said the Medusky appraisal sets a marker for the Board. What's out there in the private sector. ADC has a public purpose for our lands. But the Board has the authority to make adjustments up or down if the Board finds it appropriate. Just knowing where the private market is, the condition of the land, the term of the lease, what improvements are being made, what is beneficial to the State goals. This gives the Board flexibility to set rates with an eye on the private sector.

Member Wicker stated that he supports the fair market increase but wants to be clear and transparent on the process and how it was calculated. It does look aggressive on the annual amount for both rent and CAM.

Ms. Gady wanted to expand on Member Okimoto's point about ceded lands. ADC's Oahu lands are not ceded lands. If it's ceded there are times when the revenue is split between DHHL and OHA.

Member Okuhama said in his experience Medusky is a well-known, long time appraiser in Hawaii, and pretty reputable, especially in the banking world. The new rents are pretty fair. One of our Thai farmers is paying \$290.47 per acre for rent right now and that doesn't include water. Market rates for small farmers range from a low of \$150 to a high of \$300 to \$400 an acre a month. That is the range we've seeing.

Chair Hurd asked if that was per month.

Member Okuhama replied yes. He's seen rent at \$34,000 a year for a 10 acre parcel.

Member Hurd said going from \$400 to \$1,800 in five years is a big jump. But if that's the fair market value, agencies like DHHL and OHA want to be assured they are getting the appropriate value for the land. And these last five years have been tough, with COVID. That's a pretty big amount for an operation to sustain.

Mr. Roe reminded Member Hurd that the increase would only apply to new tenants who knew what they were getting into and won't be a big shock for our existing tenants.

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Member Okuhama asked if it was not going to apply to the current tenants, is their rent going to go up at a certain point because that would give them an unfair advantage.

Mr. Roe replied that the rates and increases are locked in by the current license. We couldn't change the amounts without breaching the agreements.

Chair asked if there was any more discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 11-0.

4. Request for approval to execute and enter a memorandum of understanding between the Agribusiness Development Corporation and the University of Hawaii Community Design Center (UHCDC) to develop a proof-of-concept study for a feedlot on Oahu

Chair called for a motion to approve.

Motion by Member Watts; Second by Member Wicker.

Chair called on Mr. Nakamoto for the Staff presentation.

Mr. Nakamoto said ADC received a legislative appropriation to develop a proof of concept study, which includes preliminary planning, and getting it up to speed on the market feasibility of developing a feed lot on Oahu.

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

Chair asked if there was any board discussion.

Member Okuhama asked if this was for a regular grain fed feed lot.

Mr. Nakamoto replied it would be for all aspects of a feed lot. It could include a feed mill and slaughter house. We're leaning more on the feed side, but UHCDC will help us flush out some of those concepts and see what area we should focus on. But yes, it has a little bit of both, feed as well as slaughter. We want to figure out what would be the best approach for the State to take.

Member Wicker asked if this was a way of looking at the cost of feed for cattle and hogs. One idea was alfalfa production and to look at shared facilities to bring the costs down. A commodity side, a livestock side, a feed lot side. So it's not just limited to grain.

Member Hurd said she had heard about new innovations in feed for cattle and for feedlots that were not just grain, which is high cost. There is an algae project that looks promising. There are many different ways to operate a feedlot that don't rely on grain.

Chair Tabata asked if there was any more Board discussion. There was none.

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Chair called for the vote. Hearing no objections or abstention the motion was unanimously approved: 11-0.

5. Request for approval to terminate Revocable Permit No. RP19-01 issued to Helemano Farms LLC for Building WW-M in Whitmore Village, District of Wahiawa, City and County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:009 (por.)

Chair called for a motion to approve.

Motion by Member Okimoto; Second by Member Watts.

Chair called on Mr. Roe for the Staff presentation.

Mr. Roe said as the Board knows ADC is working on the Central Oahu Agriculture Food Hub project in Whitmore. Phase One of the construction is being done by the Department of Accounting and General Services. Construction on a utility road and installing utilities is underway. Some of the existing tenants had to move out for construction to take place. This request terminates a revocable permit as a housekeeping matter to have the tenant move.

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

Chair asked if there was any Board discussion.

Chair asked if the tenant was aware of this action.

Mr. Roe said the tenant was aware and although he would love to stay that can't happen.

Chair asked if there was any more Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 11-0.

6. Request for approval to issue a right of entry agreement to Hawaiian Telcom to conduct reasonable site exploration and surveying for the purpose of constructing a telecommunication line; Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:004

Chair called for a motion to approve.

Motion by Member Kahahane; Second by Member Okimoto.

Chair called on Mr. Nakamoto for the Staff presentation.

Mr. Nakamoto said Hawaiian Telecom requested to run a subterranean fiber optic cable from the Naval communications base down to their base yard in Wahiawa. It runs through ADC property. They are asking for a right-of-entry to do preliminary engineering, which entails survey work, minimal brush clearing, and some noninvasive work. In the future

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Hawaiian Telecom will probably be coming back for approval for some sort of easement. Right now it's just to do some exploratory work.

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

Chair asked if there was any Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 11-0.

F. Informational Items

1. Presentation by Hawaii Sustainable Agricultural Products, LLC on their land utilization plan for 234.031 gross acres of land located in Paalaa Uka, District of Waialua, City and County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 6-4-004:008; and :006

Chair called on Dr. Azari for the presentation.

Mr. Nakamoto said Dr. Azari has had a right-of-entry for ADC property since October 8, 2021. There were some issues with Dole getting water to the property. A lot of time has passed and ADC asked Dr. Azari to present an updated proposal for use of the land.

Dr. Azari stated that he submitted our proposals three years ago. We were awarded land and have a right-of-entry. For internal reasons, ADC took a long time to give us the opportunity to have a license to move forward. I was told that the Board Members would like to get an idea about the type of crops we would be planting and how we intend to develop the soil, and so on. The initial crops would be row crops and orchards. We have a conservation plan. Tomatoes, basil, melons, turmeric, cacao, mamaki tea, maybe cashew. Limes. These are the type of crops we have in mind to plant. Basically plant 20% of the farmable area at a time, each year, then add more and more to the project. This is our business plan. This area is next to the Tanaka reservoir. So basically, what we are proposing is 20% planted the first year, and look at the type and how each one of these crops would fare. Make some selections, and then for the second year, third year, focus on those. This approach was very well received by the Board when we were selected. We did soil tests in July 2022. It is quite acidic, from 4.2 to 4.8. We have some lime and dolomites to apply to neutralize that somewhat. The farmable area is a lot smaller than what appears. 2008 was the last time that I found in the Google Maps when the site was planted pineapple by Dole. Then it went fallow. Now it's a jungle. So many trees and tall guinea grasses cover the entire area. We measured this area; it was around 123 acres. I have this map that shows the ravine here that takes away a lot of the land. This part is like a plateau. It does have a 200 feet rise, but it's fairly flat. I just want to bring to your attention how we could use ADC's help to become more profitable and have a sustainable project. From a rent moratorium and reduction, allow other sources of income such as agri-tourism markets, farmers market. This can help make a sustainable business. Agriculture is not easy, especially in Hawaii with the scales that we do; it's not profitable if there aren't other sources of income allowed. That was our original proposals. This is a suggestion, basically proposing to give us a helping hand to make

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things more profitable, especially during the first five years. We have to eradicate all these invasives and clean up the land and basically absorb substantial costs. Also I was told to bring up that we don't have an easement to enter the land from Kam highway. That entrance was not established. It's blocked by concrete blocks. I was told there would be a gate and entrance installed by ADC. This is just like a short summary of what I thought would be good idea to bring up.

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

Chair asked if there was any Board discussion.

Member Okimoto asked Dr. Azari since you've had a right of entry for this property for three years what has been done on the property itself?

Dr. Azari replied that we did the soil test and basically assessed the site security. There were a lot of cross country bikers coming and going. We were able to stop that. It is unreasonable to expect that we should clear over 100 acres of land that will probably cost a million bucks. If we did clear it, after three years it would be all covered by plants and invasives.

Member Okimoto asked so the time frame you're looking at is five years to develop this land and start the lease.

Dr. Azari replied correct.

Mr. Nakamoto added that Dr. Azari did complete his soil conservation plan as well as procured insurance, and he is waiting to execute his water user agreement. And we do have a contractor, to install the gate.

Ms. Gady stated that the Board just approved the Oahu rate of \$1,800 per acre per year, times 123 tillable acres, and you are asking for a five year moratorium on rent. Are you asking for \$1,107,000 in rent credit? Just to be clear.

Dr. Azari asked if Ms. Gady was suggesting that the rent has been increased.

Ms. Gady replied that it will be up to the Board. But the new license fee for Oahu was just approved at \$1,800 per acre per year.

Dr. Azari responded that it would be going in exactly the wrong direction that farmers need to be profitable. We are asking for five years rent moratorium and then rent reduction. But if rent goes to \$1800 the whole calculation will change. We calculated our business plan three years ago. Now we will have to change our business plan to see if it's a profitable venture to even get into.

Member Wicker asked if you're projecting out is there a market for your crop. Especially if you're looking at a rent increase. You may need to pause and look back at your financial plan to see if it pencils out at that acreage. I've seen other orchard crops attempted. Are you looking to export.

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Dr. Azari replied we will consider marketing and sales and see if we can sign contracts for any of these crops, before we really get into them. That's why we want the freedom to choose certain crops that may be more profitable when the time comes. It's not that we're really locked into those crops,

Member Okimoto said his concern with the plan to utilize land at 20% per year is that it amounts to land banking. ADC's concern is getting food crops out to the general public as soon as possible. He would rather see a plan that takes two years and uses less land and see if you're successful before moving forward to get more land. He is concerned that you're asking for credit up front before you even start.

Dr. Azari said we are asking for rent credit. To make the economics pencil out that means clearing then planting the entire thing That would be ideal. But it's a matter of time. It's not a sprint. We have 35-years, so we plan accordingly so we can survive and be sustainable rather than spend all our capital up front. We are planning for the long term.

Chair asked if there was any more Board discussion. Hearing none, Chair informed Dr. Azari that this presentation was for information purposes and no decision would be made today.

2. Update for the one-time program to preserve the agricultural value of lands held under License Agreement Nos. LI-08202 and LI-K0801 issued Hartung Brothers, Inc. for land in Kekaha, County of Kauai, State of Hawaii, Tax Map Key (4) 1-2-002:001 (por.) and for the Executive Director to manage this program

Chair called on Mr. Takemoto for the Hartung presentation.

Mr. Takemoto updated the Board on the agreement approved on January 16, 2025, where the Board allowed Hartung to put approximately 1,660 acres of land under Hartung license agreements LI-08202 and LI-K0801 into a managed fallow program. Hartung will continue to farm approximately 144 acres. This impact on ADC's revenue is about \$249,000 per year.

Chair asked is anyone from the public wished to give testimony.

Mr. Uyehara stated that he was available to answer any questions on behalf of Hartung.

Chair asked if there was any Board discussion.

Member Cooke stated that Hartung is a pretty key organization here. How does that affect KAA and their management of the lands.

Mr. Uyehara said as president of the KAA board, KAA is substantially affected. Hartung brought the majority of revenue to KAA. It makes it urgent to resolve some of the outstanding issues related to license fees, KAA's cash flow, and management of the organization. It does highlight the arrangement with ADC and putting the onus on KAA to manage infrastructure related to unlicensed lands, placing that cost on the tenants and KAA. That is going to be a question going forward; how tenable that remains, just given

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that if we're not able to find a way to productively occupy so much of the land here. That's all stuff that has to be worked out in a future discussion.

Chair asked if there was any more Board discussion. There was none.

3. Executive Director's Report

Chair called on Ms. Gady for her ED report and mentioned that all the ED's weekly reports were available on the ADC website.

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

Chair asked if there was any Board discussion.

Member Wicker referred to the February 10th report, about the small animal industry. Who are these small animal industry people.

Member Watts left the meeting at 2:55 p.m.

Ms. Gady replied that the majority of the stakeholders are Kualoa Ranch, which has a large sheep and hog operation they would like to scale up, but there's no place to scale the production. This has hindered their ability to increase revenue. Another one is a major player that provides sheep to go under solar panels. And a family farming operation at maybe 5% capacity. They all want to grow their herds but they don't have a place to slaughter. Typically, you have sheep graze and it's the young sheep you slaughter. You need to keep turning your herd pretty quickly so they will be able to switch over to more meat sheep. They would immediately scale up their operation if they knew for sure that they had a place where they could slaughter. I'm also working with an entity that funds a number of small family farms, and they provide financing at really reduced rates. And we're bringing the story to the legislature. We can scale up food production for the entire state, but we have no place to slaughter animals. There's a tremendous urgency.

Member Wicker asked about the strategic plan and when it would be presented to the Board.

Ms. Gady said she inquired with OPSD [Office of Planning and Sustainable Development] last week to ask about capacity for fulfilling the terms of the MOA and it was suggested that UHCDC help with the work or other subcontractors. Funds remain and could be given to UHCDC or another entity to finish the project so those funds wouldn't lapse. Another option is to break it down into individual contracts that can go to individual contributors.

Member Wicker asked if UHCDC had the capacity to do that.

Ms. Gady asked Ms. Makaiau from UHCDC if she could speak on the issue.

Ms. Makaiau replied that she did have a brief conversation regarding what this project may look like. We have not put together any kind of scope or plan. UHCDC is housed in the School of Architecture. We're supported by faculty and staff. We are a teaching

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practice, which means we pull in students from undergraduate and graduate programs across the university to conduct various types of research, depending on what the client, organization, agency, or scope requires. UHCDC does not have a clear understanding of this project and where gaps may be for the current MOA, but UHCDC is happy to discuss and help wherever we can.

Member Wicker also asked for an update on the Oahu and Kauai property manager positions.

Ms. Gady reported that she is definitely moving forward on that.

G. Adjourn

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

Motion by Member Wicker; Second by Member Cooke.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 10-0.

The meeting was adjourned at 3:11 p.m.

Date of Next Meeting: The next meeting will be held on March 20, 2025, at 9 A.M.

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B-2

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 of Hawai'i, Leiopapa A Kamehameha, State Office Tower Building, 235 S. Beretania St., Suite 204, Honolulu, HI 96813.

Members Present, virtually:

Lyle Tabata, Kauai County Member, Chair (Chair)

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

Glenn Hong, Member-At-Large (Member Hong)

Sharon Hurd, Ex-Officio Member for HBOA (Member Hurd) (left the meeting at 10:15 a.m.)

Ciara Kahahane, Designee for DLNR, Ex-Officio Member Ms. Dawn Chang (Member Kahahane)

Dean Okimoto, Member-At-Large (Member Okimoto)

Jason Okuhama, Member-At-Large (Member Okuhama)

Karen Seddon, Member-At-Large (Member Seddon) (left the meeting at 11:00 a.m.)

Nathan Trump, Hawaii County (Member Trump)

Jayson Watts, Maui County Member (Member Watts)

Dane Wicker, Designee for DBEDT, Ex-Officio Member James Tokioka (Member Wicker)

Members Excused:

None

Counsel Present, virtually:

Delanie Prescott-Tate, Deputy Attorney General (Ms. Prescott-Tate)

David Matsumiya, Deputy Attorney General (left the meeting at 9:25 a.m.)

Kelcie Nagata, Deputy Attorney General (left the meeting at 9:25 a.m.)

Staff Present, virtually:

Wendy L. Gady, Executive Director (Ms. Gady)

Mark Takemoto, Sr. Executive Assistant (Mr. Takemoto)

Lyle Roe, Asset Manager (Mr. Roe)

Ken Nakamoto, Project Manager (Mr. Nakamoto)

Ingrid Hisatake, Executive Secretary

John Bautista, Waiahole Ditch System Supervisor

Guests Present, virtually:

ADC Guest

Charles

Kylie Wager Cruz, EarthJustice

Mark Ladao

Mike Faye (Mr. Faye), Kehaka Agriculture Association (KAA)

Scott Ishikawa, Becker Communications

Scotty Wong, Ohana Hui Ventures, Inc.

Thomas Heaton

Thomas Nizo (Mr. Nizo), Historic Waimea Theatre and Cultural Arts Center

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Guests Present, physical location:

None

A. Call to Order

Chair called the meeting to order at 9:02 A.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. Chair stated that the roll call served as a roll call vote, and for each subsequent vote, he would ask if there were any objections or abstentions. If there were no objections or abstentions the motion would be approved on the same basis as the roll call.

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

Agenda Items F-2 and F-3 taken out of order.

Chair announced that the Board would be taking Informational Agenda Items F-2 and F-3 out of order so the attorneys can get back to work. These two matters will be held in executive session pursuant to HRS section 92-4 and HRS section 92-5(a) to allow the Board to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities. The first matter, Agenda Item F-2, is an update by the Department of the Attorney General regarding the National Pollutant Discharge Elimination System permit for the Mana plain, District of Waimea, County of Kauai, State of Hawaii.

Chair asked if there was anyone from the public who wished to give testimony on this agenda item. There was none.

Chair stated that the second matter, Agenda Item F-3 was an update by the Department of the Attorney General regarding the lawsuit filed by Public First Law Center, Civil No. 24-0000050, First Circuit Court, State of Hawaii.

Chair asked if there was anyone from the public who wished to give testimony on this agenda item. There was none.

Chair called for a Motion to go into Executive Session.

Motion by Member Kahahane; Second by Member Wicker.

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

Chair conducted a roll call vote:

1.	Chair	Yes
2.	Member Cooke	Yes
3.	Member Hong	Yes
4.	Member Hurd	Yes

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5.	Member Kahahane	Yes
6.	Member Okimoto	Yes
7.	Member Okuhama	Yes
8.	Member Seddon	Yes
9.	Member Trump	Yes
10.	Member Watts	Yes
11.	Member Wicker	Yes

The motion was unanimously approved: 11-0.

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

Exited the public meeting at 9:07 a.m.

Public meeting reconvened at 9:55 a.m.

Chair stated that pursuant to HRS section 92-4(b) (2023), the following actions were taken by the Board in executive session: The Board discussed Agenda Items F-2 and F-3 with the Board's attorney, pursuant to HRS section 92-5(a)(4). No further action was taken.

B. Approval of Minutes

1. Regular Session Minutes, November 21, 2024

Chair called for a Motion to Approve.

Motion by Member Cooke; Second by Member Wicker.

Chair asked if there was any Staff presentation. There was none.

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

Chair asked if there was any Board discussion.

Member Kahahane stated that she would abstain from voting because she was not present at the November 21, 2024 meeting.

Chair called for the vote. Chair, Member Cooke, Member Hong, Member Hurd, Member Okimoto, Member Okuhama, Member Seddon, Member Trump, Member Watts, and Member Wicker voted to approve the November 21, 2024 regular session minutes. Approved: 10-0. Member Kahahane abstained.

2. Executive Session Minutes, November 21, 2024

Chair stated that during the executive session held on November 21, 2024, the Board discussed agenda item F-1, a presentation regarding the practical implications of the Draft National Pollutant Discharge Elimination System [NPDES] Permit issued to the Agribusiness Development Corporation and County of Kauai for the outfalls of the Mana Plain Drainage Ditch System, and briefly discussed a possible business transaction raised in the Chair's report. HRS sections 92-4 and 92-5(a)(4) allows a meeting to be closed to

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the public when necessary to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities, and HRS section 92-5(a)(8) allows the Board to deliberate on matters that require the consideration of information that must be kept confidential pursuant to state or federal law. In order to maintain the confidentiality of matters discussed in executive session, the draft minutes were provided directly to Board Members for review. Chair asked that the Board members respect the confidentiality of the executive session when discussing approval of these minutes.

Chair called for a Motion to Approve.

Motion by Member Wicker; Second by Member Trump.

Chair asked if there was any Staff presentation. There was none.

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

Chair asked if there was any Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 11-0.

3. Regular Session Minutes, December 5, 2024

Chair called for a Motion to Approve.

Motion by Member Wicker; Second by Member Trump.

Chair asked if there was any Staff presentation. There was none.

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

Chair asked if there was any Board discussion.

Member Hong stated that he would abstain from voting because he was not present at the December 5, 2024 meeting.

Chair called for the vote. Chair, Member Cooke, Member Hurd, Member Kahahane, Member Okimoto, Member Okuhama, Member Seddon, Member Trump, Member Watts, and Member Wicker voted to approve the December 5, 2024 regular session minutes. Approved: 10-0. Member Hong abstained.

4. Executive Session Minutes, December 6, 2024

Chair withdrew this matter explaining that the December 6, 2024 Executive Session Minutes were approved at the January 16, 2025 Board meeting.

5. Regular Session Minutes, January 16, 2025

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Chair called for a Motion to Approve.

Motion by Member Wicker; Second by Member Kahahane.

Chair asked if there was any Staff presentation. There was none.

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

Chair asked if there was any Board discussion.

Member Hong stated that he would abstain from voting because he was not present at the January 16, 2025 meeting.

Chair called for the vote. Chair, Member Cooke, Member Hurd, Member Kahahane, Member Okimoto, Member Okuhama, Member Seddon, Member Trump, Member Watts, and Member Wicker voted to approve the January 16, 2025 regular session minutes. Approved: 10-0. Member Hong abstained.

6. Regular Session Minutes, March 3, 2025

Chair deferred approval of the March 3, 2025 minutes until the next meeting.

C. Chairperson's Report

1. None

D. Committee Reports

None.

E. Action Items

1. Request to accept and approve the recommendations of the report and findings of the land license permitted interaction group established on January 16, 2025

Chair called for a motion to approve.

Motion to approve: Member Trump; Second: Member Wicker.

Chair stated that at the last meeting the Land License Permitted Interaction Group recommended that all of the rescored land applicants that scored over 300 points be offered vacant land and those applicants that scored less than 300 points and met the USDA definition of small, disadvantaged farmers or ranchers be offered land in an area specifically designated for the small, disadvantaged farmer or rancher program. The Land License Group requested that the Board accept and approve the recommendations presented at the March 3rd Board meeting. The ADC Staff further requested that the Board direct staff to complete the land application process by:

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- (1) Contacting the highest scoring applicants via letter to determine if they are still interested in obtaining a land license from ADC.
- (2) If the applicant is still interested, arrange a meeting with the applicant to select a parcel of land and provide information necessary for issuance of a right-of-entry.
- (3) Advise the applicant that the length of the right-of-entry will be dependent upon consistently conducting activities in support of land licensing, including but not limited to, obtaining insurance, soil testing, reasonable land preparation, preparation of conservation plan, and farm utilization plan.
- (4) Once the tenant submits the conservation plan and farm utilization plan to ADC, staff will initiate Board action for issuance of the license agreement to commence farming/ranching activity.

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

Chair asked if there was any Board Discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 11-0.

2. Request to accept and approve the executive director permitted interaction group recommendations for the fiscal year 2025 goals and the process to complete the fiscal year 2025 evaluation, recommendation to retain, salary recommendation for the 2026 fiscal year, and the 2026 fiscal year goals for the ADC executive director

Chair called for a motion to approve.

Motion to approve: Member Wicker; Second by Member Cooke.

Chair called on Member Okuhama for the presentation.

Member Okuhama said that at the March 3rd Board meeting, the Executive Director (ED) Evaluation Permitted Interaction Group prepared and recommended SMART Goals, which are Specific, Measurable, Achievable, Relevant, and Time-Bound goals for the ED to accomplish for FY2025. Because HRS section 163D-3(e) requires the Board to conduct 'annual' goals and performance evaluation, the ED Evaluation group recommended that the ED's performance evaluation and salary discussion for fiscal year 2026 be conducted by another permitted interaction group to be established after the Board votes to approve the current fiscal year 2025 performance evaluation. The ED Evaluation group recommended that the Board approve the goals and objectives on pages 0075 to 0079 of the submittal and establish another permitted interaction group to conduct the FY2026 ED performance evaluation.

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

Chair asked if there was any Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was approved: 11-0.

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3. Request to accept and approve the recommendations of the value-add permitted interaction group

Chair called for a motion to approve.

Motion to approve: Member Wicker; Second by Member Cooke.

Chair called on Ms. Gady for the presentation.

Ms. Gady said Member Watts did an amazing job putting together the report for the value added permitted interaction group. It show-cases all the projects and programs ADC is currently working on that align well with value-add. That report will be used to develop ADC's strategic plan.

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

Chair asked if there was any Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 11-0.

4. Request for approval to issue a new license agreement to Kekaha Agriculture Association for 3.21 gross acres, more or less, of land and improvements in District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:001 (por.)

Chair called for a motion to approve.

Motion to approve: Member Wicker; Second by Member Kahahane.

Chair called on Mr. Roe for the Staff presentation.

Mr. Roe stated that Andros Engineering was a licensee in Kekaha. They had a base yard and provided some recycling and repair services for some of ADC's tenants. When Andros closed up operations in Hawaii KAA assumed the roughly two years left on the Andros license. After that, ADC granted KAA a one acre piece of adjacent land, for an office trailer. Between those two sites sits the old plantation carpentry shop that KAA has historically used for a base yard. This request combines the Andros location, the carpentry shop, and the office trailer location under one license.

Chair asked if anyone from the public wished to give testimony.

Mr. Faye from KAA said that he was available to answer any questions. When Andros pulled out, KAA purchased the equipment and continued where Andros left off. KAA didn't want things to fall into disrepair. KAA felt it was important to support both the large licensees as well as the smaller farmers.

Chair asked if there was any Board discussion. There was none.

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Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 11-0.

5. Request for approval to establish a permitted interaction group of the Board of Directors for the purpose of conducting the annual performance review of the executive director for fiscal year 2025; make a recommendation on retention of the executive director for fiscal year 2026; make a salary recommendation for the executive director for fiscal year 2026; and develop goals and performance measures for the executive director for fiscal year 2026; appointment of members thereto

Chair called for a motion to approve.

Motion to approve: Member Wicker; Second: Member Cooke.

Member Hurd exited the meeting at 10:15 a.m.

Chair made the presentation stating that as discussed under Agenda Item E-2, pursuant to HRS section 163D-3(f), the Board must conduct an evaluation of the executive director annually. The Board just established the ED goals and objectives for fiscal year 2025, which ends on June 30, 2025. A new permitted interaction group must be established to complete the following tasks no later than the May 15, 2025 Board Meeting:

- (1) Evaluate the performance of the executive director for fiscal year 2025, covering the time period from July 1, 2024 to June 30, 2025, based on the annual goals, objectives, performance measures, and other relevant criteria established by the Board for fiscal year 2025.
- (2) In conducting the fiscal year 2025 performance evaluation, the permitted interaction group shall interview the executive director and may interview current and former ADC employees.
- (3) Make a recommendation whether to retain the executive director for another year and document the recommendation for presentation to the Board.
- (4) Make a salary recommendation for fiscal year 2026 and document the recommendation for presentation to the Board.
- (5) Develop annual goals and performance measures for the executive director to accomplish during fiscal year 2026 to allow the Board to evaluate the executive director's work during fiscal year 2026 and document the goals and performance measures for presentation to the Board.
- (6) Prepare a report for presentation to the Board at the May 15, 2025 Board meeting that contains the FY2025 performance evaluation of the executive director, retention recommendation, salary recommendation, and the FY 2026 goals and performance measures.

This timeline must be strictly adhered to in order for the Board to fulfill its obligation under HRS section 163D-3 (d) to (f).

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Member Watts was not visible on camara from 10:17 a.m. to 10:26 a.m.

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

Chair asked if there was any Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was approved: 9-0 (Member Hurd left the meeting at 10:15 a.m. and Member Watts was not present on camara during the vote).

Chair appointed himself, Member Okuhama, and Member Wicker to this permitted interaction group. The tasks listed on pages 0096 and 0097 of the submittal are to be completed and presented to the full Board at the May 15, 2025 Board meeting.

6. Request for approval to issue a new license to Thomas Nizo doing-business-as Historic Waimea Theatre and Cultural Arts Center for 7.02 gross acres, more or less, of land for purposes of siting a construction base yard for construction of an access road on Department of Hawaiian Homelands property, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:001 (por.)

Chair called for a motion to approve.

Motion to approve: Member Wicker; Second by Member Kahahane.

Chair called on Mr. Roe for the Staff presentation.

Mr. Roe stated that Mr. Nizo represents a consortium of the Kekaha Homestead Association. These DHHL [Department of Hawaiian Home Lands] members are working to repair the Niu Valley Road that leads from ADC property up to DHHL's Mauka Homestead lands. They're seeking a base yard location for equipment and supplies during the road repair project. In lieu of rent, there's some old equipment on the property that Mr. Nizo and his group will clean up once they're done.

Chair asked if anyone from the public wished to give testimony.

Mr. Nizo said he's with the Historic Waimea Theatre and Cultural Arts Center and he was trying to help the community. The Aina is not just land, its everything that feeds us. That road will feed Hawaiians in the near future. This is in line with ADC's goals and mission to create farmers. In partnership with ADC we will take that piece of land and leave it in better condition than when we get it. We're just a bunch of Hawaiians who are taking on this project to build that road for the next three years so we can have better access to the upper lands. We may come back to the table in three years and see where that leads. DHHL and ADC build a partnership to the future.

Chair asked if there was any Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was approved: 9-0 (Member Watts was not present on camara during the vote).

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7. Request for approval to refer License Agreement No. LI-K1701 (as amended), issued to Rong Seng Chen doing-business-as Funing Farm, to the Department of the Attorney General for possible legal action due to rent delinquency, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key. No. (4) 1-2-002:001 (por.)

Chair called for a motion to approve.

Motion to approve: Mr. Wicker; Second by Member Okuhama.

Chair called on Mr. Roe for the Staff presentation.

Mr. Roe stated that this request is to again refer ADC tenant Rong Seng Chen to the AG's office for enforcement action. At one point they had caught up, but they are behind again. You can refer to the submittal that shows the current balances along with service fees and interest. The amount is in excess of \$20,000. They are also delinquent in the common area maintenance fee to KAA.

Chair asked if there was anyone from the public who wished to give testimony.

Mr. Faye said that he supports Mr. Roe's testimony. Funing Farms is behind in their common area maintenance fees. We have worked with them in the past and he's available for any questions.

Member Watts was visible on camera at 10:26 a.m.

Chair asked if there was any Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 10-0.

8. Request for approval to execute and enter a memorandum of understanding (MOU) between the State of Hawaii Agribusiness Development Corporation and the Hawaii Farm Bureau Federation to host the 2025 Hawaii State Farm Fair in Whitmore Village, County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 7-1-002:037 (por.), :041 (por.), :044 (por.)

Chair called for a motion to approve.

Motion to approve: Member Wicker; Second by Member Okuhama.

Chair called on Mr. Nakamoto for the Staff presentation.

Mr. Nakamoto said he would stand on his submittal and was available for questions.

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

Chair asked if there was any Board discussion.

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Member Okuhama said the rental usage fee on the MOU was blank. Is ADC going to charge the Hawaii Farm Bureau anything" Did Kualoa Ranch charge them anything when they were having the fair over there?

Ms. Gady responded that ADC would be charging a fee for the fifteen acres. It is a two-day event. The amount has not been decided. If ADC is going to use this area as an event space that can be rented out to other organizations that amount must be decided. We can put that on a future agenda.

Chair asked if the Hawaii Farm Bureau would be cleaning up after the event.

Ms. Gady said typically they will handle all the traffic control, parking, prep, and clean up. ADC is trying to get the Board of Water Supply to install a water line so there will be water for the animals. But if not, they will have to bring in water trucks.

Chair asked if there was any further discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 10-0.

9. Request for approval to issue a new license agreement in lieu of Hawaii Department of Land and Natural Resources General Lease No. S-5367 as assigned to Sunrise Capital, Inc. for Parcel D in District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:022

Chair called for a motion to approve.

Motion to approve: Member Wicker; Second by Member Okimoto.

Chair called on Mr. Roe for the Staff presentation.

Mr. Roe said the Board should be aware that ADC approved the transfer of most of the Sunrise Capital ag park leases to Aloun Kauai Farms last August 2024. Sunrise intended to keep two properties. One was field 408 and the other was an old DLNR lease agreement. When ADC converted the old Department of Agriculture (HDOA) leases to ADC licenses, it was also their intention to convert the DLNR lease to an ADC license. Sunrise has agreed to this and the ADC license will also include the obligation to KAA for the common area maintenance fees.

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

Chair asked if there was any Board discussion. There was none.

Chair called for the vote. Hearing no objections or abstentions the motion was unanimously approved: 10-0.

10. Request for approval to establish a permitted interaction group of the Board of Directors for the purpose of attending the Lieutenant Governor's

Minutes of the Board of Directors Meeting held Virtually on March 20, 2025 Via Zoom Teleconference and/or In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Washington, D.C. trip on March 23-26, 2025 pursuant to the requirements of section 92-2.5(b), Hawaii Revised Statues; appointment of members thereto

Chair stated that the Lt. Governor invited Chair Hurd, Member Trump, Member Watts, and Member Wicker to attend the Hawaii-USDA Policy Summit in Washington D.C. The agenda for the Hawaii-USDA Policy Summit was attached to the submittal on page 0140. The four Board members were invited because of their everyday work within the Hawaii agricultural community, and not because they are members of the ADC Board. Certain Board members were concerned about violating HRS section 92-2.5, the section of the Sunshine Law that addresses permitted interactions between board members and would like the Chair to create a permitted interaction group of the four invitees so they may participate in discussions and attend informational meetings or presentations together.

The concerned Board members seek establishment of a permitted interaction group under HRS section 92-2.5(b), which provides that two or more members of a board, but less than the number of members that would constitute a quorum for the board, may be assigned to:

- (1) Investigate a matter relating to board business; provided that:
 - (A) The scope of the investigation and the scope of each member's authority are defined at a meeting of the board;
 - (B) All resulting findings and recommendations are presented to the board at a meeting of the board; and
 - (C) Deliberation and decision-making on the matter investigated, if any, occurs only at a duly noticed meeting of the board held no less than six business days after the meeting at which the findings and recommendations of the investigation were presented to the board; . . .

HRS section 92-2.5(e), identifies another permitted interaction. Two or more members of a board, but less than the number of members that would constitute a quorum for the board, may attend an informational meeting or presentation on matters relating to board business, including a meeting of another entity, legislative hearing, convention, seminar, or community meeting; provided that the meeting or presentation is not specifically and exclusively organized for or directed toward members of the board. The board members in attendance may participate in discussion, including discussion among themselves; provided that the discussions occur during and as part of the informational meeting or presentation; provided further that no commitment relating to a vote on the matter is made or sought. At the next duly noticed meeting of the board, the board members shall report their attendance and the matters presented and discussed that related to board business at the informational meeting or presentation.

Importantly, for either HRS section 92-2.5(b) or 92-2.5(e) to apply, the subject matter of the discussion or presentation must be "board business".

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The term "board business" means specific matters over which a board has supervision, control, jurisdiction, or advisory power, that are actually pending before the board, or that can be reasonably anticipated to arise before the board in the foreseeable future.

The topics itemized on the Hawaii-USDA Policy Summit agenda do not appear to fall under the supervision, control, jurisdiction, or advisory power of the Board. Nor does it appear that these topics will fall under the supervision, control, jurisdiction, or advisory power of the Board, now or in the near future.

In order to establish a permitted interaction group of the Board of Directors for the purpose of attending the Lt. Governor's Washington, D.C. trip on March 23-26, 2025, the summit must constitute board business.

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

Chair asked if there was any Board discussion.

Member Watts said he believes the permitted interaction group needs to be appointed. In addition to the Board members, the executive director was invited to attend and was asked by the Lt. Governor's office to lead a discussion session on rural development. This discussion may hit on some ADC issues. Just to be safe and transparent he believed a permitted interaction group should be formed and the Board members who attend should report back to the Board.

Chair called for a Motion to determine if attendance at the Hawaii-USDA Policy Summit constituted board business.

Motion to approve: Member Cooke; Second by Member Wicker.

Chair asked if there was any further Board discussion. There was none.

Chair conducted a roll-call vote explaining that a "yes" vote means the Board does have supervision, control, jurisdiction, or advisory power over the subject matter on the summit agenda. A "no" vote means the Board does not have supervision control jurisdiction or advisory power over the subject matter on the summit agenda.

Chair conducted the roll-call vote:

1.	Chair	Yes
2.	Member Cooke	Yes
3.	Member Hong	Yes
4.	Member Kahahane	Yes
5.	Member Okimoto	Yes
6.	Member Okuhama	Yes
7.	Member Seddon	Yes
8.	Member Trump	Yes
9.	Member Watts	Yes
10.	Member Wicker	Yes

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The motion was unanimously approved: 10-0.

Chair appointed Member Hurd, Member Trump, Member Watts, and Member Wicker to this permitted interaction group. Chair directed the group members to attend the summit and prepare a report to the Board detailing all information pertinent to the Board's supervision, control, jurisdiction, and/or advisory power.

F. Informational Items

1. Video presentation of the Waiahole Water System

Chair called on Ms. Gady for the video presentation on the Waiahole Water System.

Ms. Gady gave some background on the Waiahole system as the video played. In March for Ag Day at the Capitol, ADC displayed the video with one of the Waiahole workers there to answer questions. The Waiahole system started in February 1916 and had water flowing through it by May 1916. In July of 1999, the Legislature voted to procure a bond for \$8.5 million for ADC to acquire the system, which is 26.4 miles long, with 15 miles of tunnels, 10 miles of open ditches, and 1.4 miles of siphons. It is completely gravity fed. There is 9.5 million gallons of water storage at Reservoir 225; 14 million gallons of water storage at Reservoir 155, which is now named the Nakatani Reservoir. A staff of five manages the system. Each staff member is responsible for five miles of the system. The video was shot via drone. Senate Bill No. 1541 that would retire the Waiahole Water System Debt. There is a tunnel in a siphon that is collapsing. 40% of ADC's revenue goes towards servicing the debt for this asset.

Mr. Takemoto said that some of the Waiahole staff was present if there are any questions. ADC has been entrusted with the responsibility to pass this system on to future generations. It's a lot of work that we are doing to maintain and improve the system. This system is very important and like a lot of other systems from the plantation era, we could never replace them if we had to. We need to be good stewards of this asset for the next generation.

Member Cooke asked how many farmers there are, and what production results from use of this system. He's working on something with UH to do survey or land mapping of ADC land to get an understanding of what's being grown and how much. If we can also figure out through that survey and mapping all of the farming that's resulting from all these different water systems. It makes it easier for us to go after funding later if we have that type of information.

Ms. Gady said the system feeds over 5,000 acres of prime ag land. It serves over 70 small and medium sized farmers of which maybe 80% would fall in the USDA's description of small, disadvantaged farmers. They need this system in order to grow their crops. This system is 24/7, 365 days a year.

Chair said he considers this one of the seven wonders of the state. It is similar to the West Kauai water system. This water goes all the way to the Ewa plain. Is there any more Board discussion. There was none.

Chair asked is anyone form the public wished to give testimony. There was none.

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Member Watts was not visible on camara from 10:57 a.m. to 11:07 a.m.

2. Update by the Department of the Attorney General regarding the draft National Pollutant Discharge Elimination System permit for the Mana plain, District of Waimea, County of Kauai, State of Hawaii. The Board may go into executive session pursuant to section 92-4, and 92-5(a)(4), Hawaii Revised Statutes, to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities.

This item was taken out of order at the beginning of the meeting.

3. Update by the Department of the Attorney General regarding the lawsuit filed by Public First Law Center, Civil No. 24-000050, First Circuit Court, State of Hawaii. The Board may go into executive session pursuant to section 92-4, and 92-5(a)(4), Hawaii Revised Statutes, to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities.

This item was taken out of order at the beginning of the meeting.

4. Executive Director's Report regarding past weekly reports, an update regarding the purchase of the Wahiawa lands associated with the Wahiawa Dam acquisition, and the status of the notice of violation issued to Ohana Hui Ventures, Inc.

Member Seddon left the meeting at 11:00 a.m.

Chair called on Ms. Gady to give her executive director's report.

Ms. Gady said she just wanted to touch on a few things. The weekly reports are on the ADC website. We are in the process of entering into a memorandum of agreement with HDOA to acquire the property pursuant to Act 218 regarding the Wahiawa lands associated with the Wahiawa dam acquisition. Act 218 also has TMKs that go directly to DLNR. The due diligence for the acquisition has been completed by ADC and HDOA. Over 17,500 acres of former sugar and pineapple land are reliant for six months out of the year for the water through the system. If ADC doesn't acquire this system, it will be decommissioned. With no reliable water source would be the kiss of death for 17,000 acres of diversified ag. Once the acquisition goes through, HDOA will have funds to do the design or redesign of the spillway. Ohana Hui Ventures, we are still awaiting some additional paperwork or information that we had requested. At the April Board meeting, we are going to invite recent licensees to give an update on their farm plan. I think it would be good for the Board to meet and hear from the individuals that are farming the land that ADC is responsible for. If anyone has suggestions for policies or support that we can take to Washington, D.C. please reach out. And KAA's monthly report is attached. Ms. Gady asked if Mr. Faye had anything to say.

Mr. Faye said they've been experiencing drought. It has been challenging to get water to everybody on the Kokee ditch system, which is very similar to the video that you just saw on the Waiahole system. The other challenge we're having are the changes going on with the seed industry and the reclassification of 1,600 acres of Hartung lands. KAA's income was affected. We'll be sending a report each month.

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Member Cooke stated that the KAA report shows \$72,000 reduction in income per month. What percentage of revenues is that?

Mr. Faye replied about 60%.

Member Wicker asked who was responsible for putting tenants on the property. Is it ADC or KAA.

Mr. Faye replied ADC is responsible for putting tenants on the land. KAA manages the water delivery and the microgrid. Moving the 1600 acres into a non-tillable acreage rate was at the request of one of the seed companies. It was not something that staff arbitrarily decided to do.

Member Wicker asked if ADC had a wait-list for Kauai.

Ms. Gady responded that we have new land applicants who scored over 300 or more who are ready to be placed on lands. As well as individuals that fit the category for the USDA definition of small and disadvantaged farmers. The action was only taken today in terms of approving individuals on that list for licenses.

Member Wicker asked once we place the new land applicants on the Kauai lands, what will the vacancy rate be.

Ms. Gady replied maybe 1 to 2 percent. The greatest demand for ag land is on Oahu because of the transportation costs from the neighbor islands.

Chair added that ADC is in the final process of closing the Dole Wells purchase, which will add to out ability to provide irrigation.

Member Watts was visible on camera at 11:07 a.m.

G. Adjourn

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

Motion to adjourn: Member Wicker; Second by Member Kahahane.

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

The meeting was adjourned at 11:09 a.m.

Date of Next Meeting: The next meeting will be held on April 17, 2025, at 9 a.m.

April 4, 2025

REPORT OF THE WASHINGTON, D.C., PERMITTED INTERACTION GROUP

TO: Lyle Tabata, Chair and the Board of Directors of the Agribusiness

Development Corporation

FROM: Jayson Watts, Chair and Members of the

Washington, D.C., Permitted Interaction Group

RE: Report of the Washington, D.C., Permitted Interaction Group (PIG)

At the last board meeting, the D.C. PIG was established to ensure transparency and compliance with the Sunshine Law. This report documents the involvement of selected board members and the Executive Director in the Second Annual Hawaii-USDA Policy Summit held from March 24-26, 2025, in Washington, D.C.

On Monday, March 24, 2025, the PIG met briefly to appoint Board Member Jayson Watts as Chair and Board Member Nathan Trump as Vice Chair.

Participants:

The following individuals were invited in their individual capacities as leaders in Hawaii's agricultural framework:

- **Dane Wicker (Ex-officio Member):** Deputy Director of the Hawaii Department of Business, Economic Development and Tourism; DBEDT Director's designee to the Board
- **Sharon Hurd (Ex-officio Member):** Chairperson of the Hawaii Board of Agriculture and Director of the Hawaii Department of Agriculture
- Jayson Watts (Regular Board Member, Maui Seat): Secretary of the Hawaii Farm Bureau, Secretary/Treasurer of the Hawaii Food Industry Association, and Director of Environmental Health and Safety, Mahi Pono, LLC
- Nathan Trump (Regular Board Member, Hawaii Island Seat): President, Hawaii Macadamia Nut Association and General Manager of Island Harvest

Additionally, Executive Director Wendy Gady attended in her official capacity to represent the Agribusiness Development Corporation (ADC).

Purpose of Attendance:

The summit, led by Lieutenant Governor Sylvia Luke, aimed to highlight local agricultural priorities and challenges directly to federal officials. The delegation met with newly appointed U.S. Secretary of Agriculture Brooke Rollins, officials from multiple agencies within the U.S. Department of Agriculture (USDA), and members of the Hawaii Congressional Delegation. Discussions focused on supporting Hawaii's agricultural industry, strengthening food security, and expanding federal partnerships.

Role of the Executive Director:

Executive Director Wendy Gady was the sole attendee representing the ADC in an official

D-1

capacity. She led a targeted discussion with USDA Rural Development and joined broader engagements with the USDA Farm Service Agency (FSA), Agricultural Marketing Service (AMS), and Food Safety and Inspection Service (FSIS), among others. While board members were present at these meetings, they did not interact in their capacities as board members of the ADC but rather as industry leaders. At no time did the board members participate in board-related discussions, deliberations, or decision-making during the meetings. Their presence and participation were strictly related to their roles as industry leaders and not as representatives of the ADC Board.

These meetings reinforced opportunities for ADC to pursue infrastructure support for small-scale slaughter facilities, water systems, and value-added agricultural processing.

Key takeaways include:

- USDA receptiveness to Hawaii's unique geographic and biosecurity needs, highlighting the importance of local processing capacity and market access solutions.
- Encouragement from federal staff to pursue administrative flexibilities given the uncertainty of Farm Bill reauthorization—an important signal for ADC's long-term planning.
- Reinforced urgency for state-led infrastructure projects, especially those aligned with ADC's mission to support food self-sufficiency and rural development.

Compliance with Sunshine Law:

The PIG was established to ensure full transparency with the public and to avoid any appearance of impropriety concerning the board's Sunshine Law requirements. Although four board members were present at the summit, their participation was strictly in their individual capacities as industry leaders. No discussions or decisions impacting the ADC were conducted among the board members during the summit.

Conclusion:

The participation of board members and the Executive Director in the Hawai'i-USDA Policy Summit provided valuable opportunities to advocate for Hawai'i's agricultural priorities at the federal level. ADC's presence—particularly through Executive Director Gady—enabled direct conversations about key issues such as slaughter and processing capacity, rural infrastructure, and biosecurity, all of which align with ADC's current and planned capital improvement projects.

Additionally, the summit emphasized:

- The importance of integrated state-federal strategies, especially for ADC's rural and neighbor island priorities.
- New pathways for federal funding, including discussions of USDA facility grants and voluntary inspection programs.
- The role ADC could play in broader state efforts to expand value-added agriculture and modernize rural agricultural infrastructure.

The PIG confirms that all activities were conducted in compliance with applicable transparency and governance laws, with no ADC-related deliberations taking place among board members during the summit.

AGRIBUSINESS DEVELOPMENT CORPORATION

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS April 17, 2025

Subject: Request for approval to issue a new license agreement to the County of Kauai for

0.25 gross acres, more or less, of land for the certified redemption center operations in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key

No. (4) 1-2-002:001 (por.)

Applicant: County of Kauai

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

Area: 0.25 gross acres, more or less

Field No(s): Non-designated (Premises)

Tax Map Key: (4) 1-2-002:001 (Property)

Land Status: Set aside to the Agribusiness Development Corporation by Governor's Executive

Order No. 4007 for Agricultural and Related Purposes

Trust Land Status: Section 5(b) lands of the Hawaii Admission Act

Yes No 🗆

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution?

Yes ⊠ No □

Zoning: SLUD: Agricultural

CZO: Agricultural

Character of Use: Certified Redemption Center (Recycling drop-off)

Land Doc. Type: License

Term: 2 years (July 1, 2025 – June 30, 2027)

Rental Rate \$500 per month

Annual Rent: \$6,000.00

Request for approval to issue a new license agreement to the County of Kauai for 0.25 gross acres, more or less, of land for the certified redemption center operations in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:001 (por.)

April 17, 2025

BACKGROUND:

Right Of Entry Agreement Contract 9816 (Agreement) between the Agribusiness Development Corporation (ADC) and the County of Kauai (County) for 0.25 gross acres of land (Exhibit "A") upon which to situate the County's certified redemption center (CRC) was executed on February 13, 2020 for a term of 5 years, terminating on June 30, 2024.

Pursuant to the terms of the Agreement, the County exercised its option to extend the term of the Agreement for an additional year until June 30, 2025 (by mutual agreement). At the time, ADC indicated that this would be the last extension to which it would agree). However, due to an apparent lack of other available options at which to site the CRC, the County requested a new agreement.

The current Agreement, as extended, expires on June 30, 2025.

REQUEST:

That the ADC Board of Directors (Board) approve a new 2-year license (July 1, 2025 – June 30, 2027) agreement to the County for 0.25 gross acres, more or less, upon which to continue their recycling operations (Request).

OPERATIONAL PLAN:

The County maintains staff during business hours to accept, segregate, and compile recycling materials from the adjacent communities, including Kekaha and Waimea.

CONSERVATION PLAN:

N/A

CHAPTER 343:

Under section 343-5(a), Hawaii Revised Statutes, an environmental assessment shall be required for actions, that propose, among other things, the "(1) use of state land or county lands, or the use of state or county funds[.]" In this case, the project triggers an environmental assessment because it proposes the use of state lands and the use of state funds. However, pursuant to the Comprehensive Exemption List for the Agribusiness Development Corporation State of Hawaii dated May 1, 2018, staff believes that the project is de minimis and will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.

DISCUSSION:

The County is a tenant in good standing with ADC, is current on all rents, and is in compliance with all terms and conditions of the Agreement. Staff has concerns that the purpose of the CRC does not align with the public purpose set forth in Governor's Executive Order No. 4007 which sets aside the Property to ADC for *agricultural and related purposes*.

However, in light of timing and the lack of other siting options, staff believe that a limited 2-year license agreement (functionally a 2-year extension of the current use) may be appropriate with

Request for approval to issue a new license agreement to the County of Kauai for 0.25 gross acres, more or less, of land for the certified redemption center operations in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:001 (por.)

April 17, 2025

the understanding that ADC will re-evaluate the County's use of the site in light of the public purpose set forth in the executive order.

Under the current Agreement, rents are paid to the Kekaha Agriculture Association (KAA). However, under the new agreement, rents will be payable to ADC. These rents will represent an additional \$6,000/year to ADC's rental income, subject to Office of Hawaiian Affairs and Department of Hawaiian Homelands entitlements.

RECOMMENDATION:

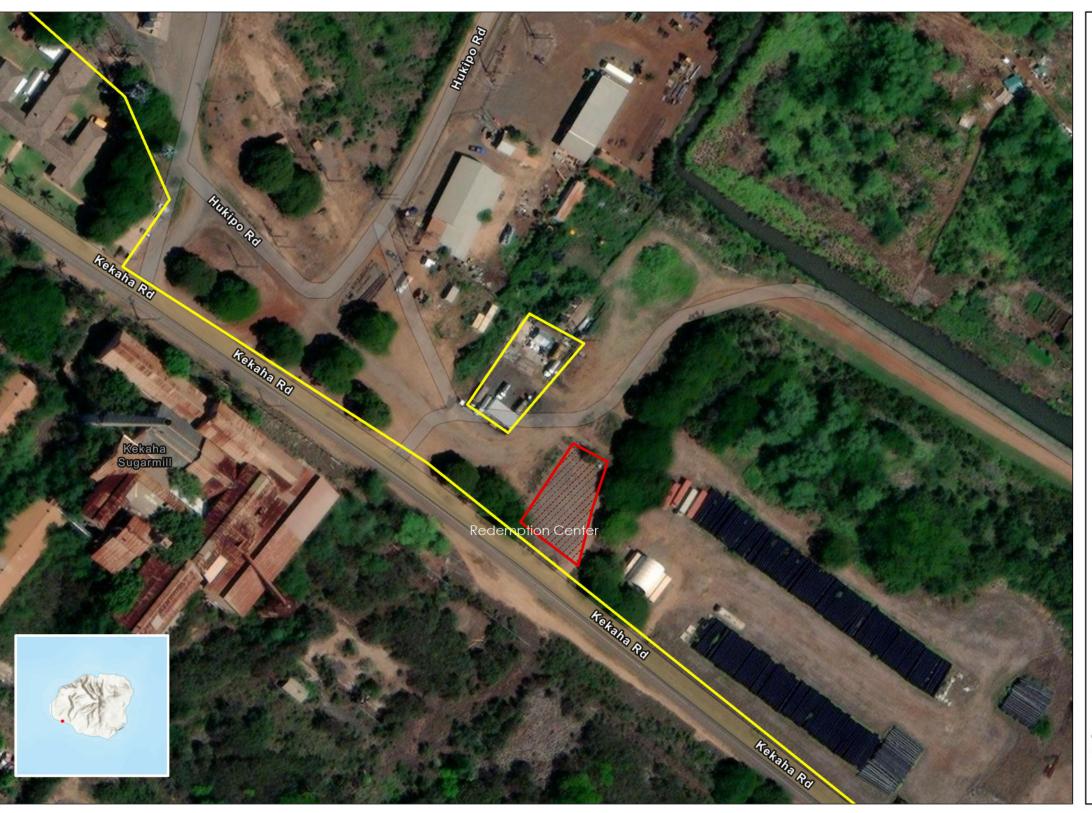
Based on the foregoing, staff recommends that the Board:

- 1. Approve the Request, subject to the following conditions:
 - a. County shall pay rents to ADC in the amount of \$500/month; and
 - b. County shall maintain commercial general liability insurance and commercial auto insurance (or a self-insured equivalent); and
 - c. Term shall expire on June 30, 2027, unless sooner terminated.
- 2. Declare that, pursuant to ADC's Comprehensive Exemption List dated May 1, 2018, the proposed action is de minimis and will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment, pursuant to Chapter 343, Hawaii Revised Statutes.

Respectfully/Submitted,

	1114/2/2/	
	LYLE ROE	
	Asset Manager	
Approved for Submittal:		
	_	
Wendy Gady		
Executive Director		

Attachment(s): Exhibit A





Certified Redemption Center Site 0.25 gross acres Kekaha, Kauai, Hawaii

TMK (4) 1-2-002:001 (por.)





Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, ® OpenStreetMap contributors, and the GIS User Community. This work is licensed under the Esri Master License Agreement View Summary | View Terms of UseExport: This layer is not intended to be used to export tiles for offline. Esri, USGS This map was developed by the Agribusiness Development Corporation, State of Hawaii.

AGRIBUSINESS DEVELOPMENT CORPORATION

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS April 17, 2025

Subject: Request for approval to issue a right-of-entry agreement to Longroad Development

Company, LLC for energy transmission line research purposes in District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 6-4-

003:016, 6-5-002:008, :031, :010, and 7-1-001:003

Applicant: Longroad Development Company, LLC

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

Area: 1,229 gross acres, more or less (GIS calculation)

Field No(s): PU-14, PU-10, PU-11, GA-13, GA-14

Tax Map Key: (1) 6-4-003:016, 6-5-002:008, :031, :010, and 7-1-001:003 (Property)

Land Status: Acquired in fee by the Agribusiness Development Corporation (ADC)

Trust Land Status: Section ___ lands of the Hawaii Admission Act

Yes □ No 🛛

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution?

Yes ☐ No 🛛

Zoning: SLUD: Agricultural

CZO: AG-1

Character of Use: Engineering, environmental, cultural, and land survey studies

Land Doc. Type: Qualified Right of Entry

Term: 1 year

Rental Rate \$0

Request for approval to issue a right-of-entry agreement to Longroad Development Company, LLC for energy transmission line research purposes in District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 6-4-003:016, 6-5-002:008, :031, :010, and 7-1-001:003

April 17, 2025

BACKGROUND:

Longroad Development Company (Applicant) is a foreign limited liability company organized in the State of Delaware under Longroad Energy Holdings, LLC who is also organized in the State of Delaware. Applicant is currently developing utility-scale solar farm in Helemano that includes new transmission lines to deliver solar-generated power to the State's electrical grid (see exhibit "B").

REQUEST:

Applicant requests a right of entry (ROE) to the subject Property (exhibit "A") for the purpose of conducting engineering, environmental, cultural, and land survey studies to assist in determining a most appropriate solar energy transmission line easement route (Request).

OPERATIONAL PLAN:

N/A

CONSERVATION PLAN:

N/A

CHAPTER 343:

Under section 343-5(a), Hawaii Revised Statutes, an environmental assessment shall be required for actions, that propose, among other things, the "(1) use of state land or county lands, or the use of state or county funds[.]" In this case, the project triggers an environmental assessment because it proposes the use of state lands and the use of state funds. However, the project is exempt from the preparation of an environmental assessment pursuant to Exemption Class 5(2): "Basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. Appropriate exemptions may include: ... (2) Planning data collection."

DISCUSSION:

Applicant's request affects five ADC land parcels, four of which are currently licensed and under cultivation. The currently licensed parcels are (1) 6-5-002:008, :031, :010, and 7-1-001:003. As such, staff recommends a qualified ROE under which ADC provides general permission for the Applicant to access the property but Applicant must also obtain ADC licensees' approval and permission to access the property, as well as abide by any day and time restrictions, and honor any restrictions the licensees may place on what portions or areas of the property under license that the Applicant may access. Applicant shall not be given exclusive, unfettered, or unrestricted access to licensed portions of the Property.

For the purpose of this request, there is no fiscal impact to ADC.

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

1. Approve the Request, subject to the following conditions:

Request for approval to issue a right-of-entry agreement to Longroad Development Company, LLC for energy transmission line research purposes in District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 6-4-003:016, 6-5-002:008, :031, :010, and 7-1-001:003

April 17, 2025

- a. Right of entry to any lands already licensed to ADC licensees shall be at the sole and absolute discretion of the licensee, including, but not limited to, day and time access restriction, field area restrictions, equipment restrictions, number of personnel, etc.; and
- b. Applicant and Applicant's agents shall procure and maintain commercial general liability, and commercial auto insurance that lists ADC and any affected ADC licensees as additional insured; and
- c. Applicant and Applicant's agents shall not leave any property, equipment, or markers in the licensed fields, including, but not limited to, vehicles, inspection equipment, cameras, monitoring equipment, stakes, GIS or aerial markers, etc.; and
- d. Applicant shall be responsible for any and all damages to ADC or ADC licensee property; and
- e. ADC shall terminate the ROE if any ADC or ADC licensee property is damaged.
- 2. Declare that, pursuant to ADC's Comprehensive Exemption List dated May 1, 2018, Exemption Class 5, the proposed project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.

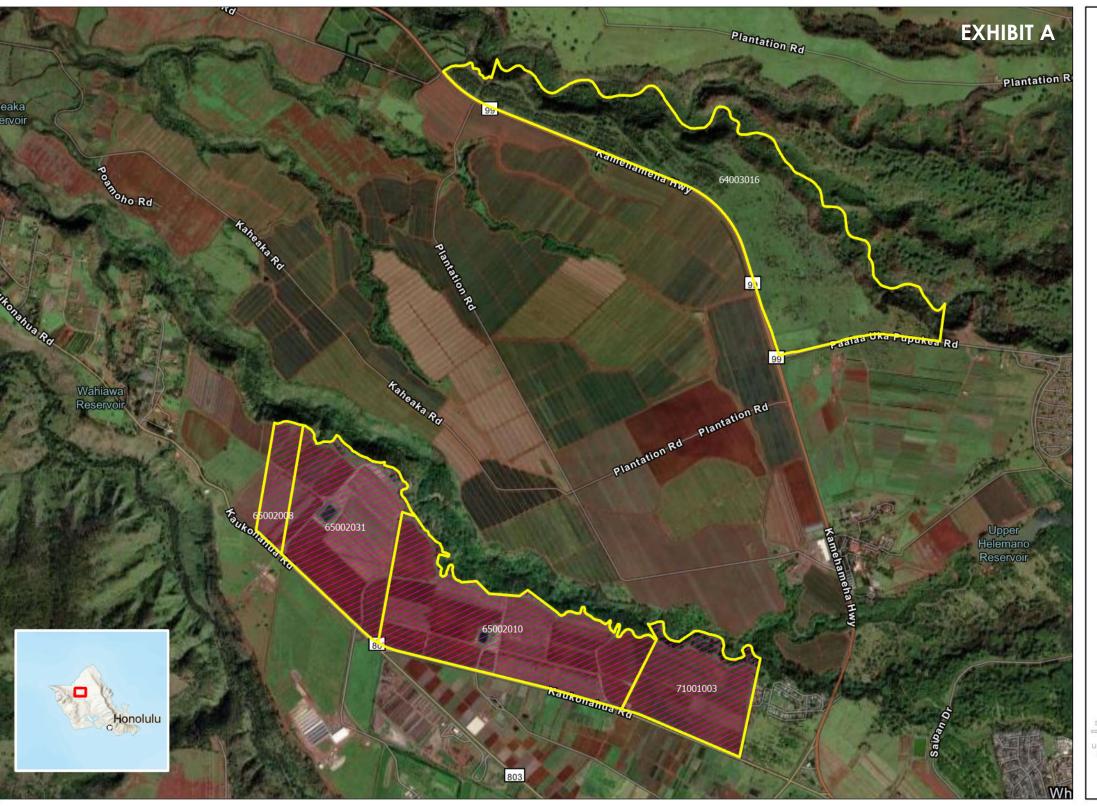
Respectfully Submitted,	
Mtolly I has	
LYLEROE	
Asset Manager	

Approved for Submittal:
Wendy Gady
Executive Director

Attachment(s):

Exhibit A Map

Exhibit B Applicant's Request





Longroad Development Company, LLC Right-of-Entry Request

> 1,229 gross acres Central Oahu





Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community. This work is licensed under the Esri Master License Agreement. View Summary I View Terms of UseExport. This layer is not intended to be used to export tiles for offline., Esri, USGS This map was developed by the Agribusiness Development Corporation, State of Hawaii.



To: Ms Wendy Gady, Executive Director, Agribusiness Development Corporation

From: Longroad Energy

RE: Right of Entry (ROE) Request

Longroad Energy, a US-based renewable energy company, has more than 20 years of experience developing and operating wind, solar, and storage projects across the United States. Longroad Energy is developing a utility-scale solar farm in Helemano along with a 138kV transmission line to deliver the renewable energy to the electrical grid. Longroad Energy respectfully requests from the Agribusiness Development Corporation Board the following:

Right of Entry (ROE)

- Longroad Energy is requesting a Right of Entry (ROE) to review ADC land TMK 64003016000, 650020080000, 650020310000, 65002010000, and 710010030000 to determine the feasibility of a 138kV transmission line
 - 138kV line would require a 150' permanent easement
 - Engineering, environmental, cultural and land survey studies to be performed to determine easement route
 - Longroad would compensate for any damages incurred conducting surveys.
 - Longroad will give proper notice prior to entering
 - Possible route options include expanding current HECO easement or a new easement route with ADC input and approval
- Longroad Energy is available to discuss details of the ROE and will be available to answer questions at the Board meeting if requested.
- Longroad Development Company, LLC is the official entity requesting ROE





Respectfully, Andre Bisquera **Project Developer** (808) 292-3020



EXPERTISE

Core team has worked together for more than 15 years

Core team has developed over 60 renewable projects totaling 7.8 GW in the U.S. at First Wind (4 GW) and Longroad (3.8 GW)

We have signed 4 GW of corporate and utility PPAs within last five years

Long history of raising third-party capital, Longroad has raised over \$15.3 B from more than 20 institutions

SUPPORT

Backed by experienced and **committed** investors with long-term goals

Longroad is principally funded by four groups that collectively manage over \$400 billion:

- **New Zealand Super Fund**
- Infratil
- **MEAG**
- **Longroad Energy Partners**

We have the knowhow to bring all projects to completion and ensure long-term operation

OPERATIONS

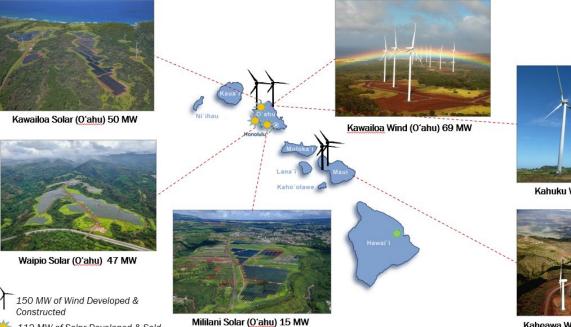
We own and operate projects in more than 10 states

We built a world class operations and asset management 24/7/365 Remote Operations Center (ROC)

We manage the entire scope: Our ROC works around the clock, backed by experienced asset management, on-site technical support, and full back-office support

Longroad brings an owner's mindset to the management of all projects, including those owned by thirdparties. We manage 3.5 GW of Longroad-owned projects and 1.9 GW on behalf of third-parties

We are developers, owners, and operators of renewable energy with a proven track record including significant experience in Hawai'i





Kahuku Wind (Oʻahu) 30 MW



Kaheawa Wind I & II (Maui) 51 MW

Wren Wescoatt VP, Development

Wren.wescoatt@longroadenergy.com

112 MW of Solar Developed & Sold

(808) 780-1000

Andre Bisquera **Project Developer** Andre.bisquera@longroadenergy.com (808) 222-8700

Cody Walker Land Acquisition Manager Cody.walker@longroadenergy.com (254) 396-2782



Frequently Asked Questions

What is an easement? An easement is a document that conveys a permanent property right authorizing a person or party to use the land or property of another for a particular purpose. In this case, a project company acquires certain rights to build and maintain a transmission line. Landowners are paid a fair price for the easement and can continue to use the land for most purposes, although some restrictions are included in the easement agreement. An easement is the legal document that must be signed by the landowner before the utility can use the property in accordance with the terms of the easement. What is a right-of-way? A right-of-way is the actual land area acquired for a specific purpose, such as a transmission line, roadway or other infrastructure.

What is the difference between an easement and a right-of-way? An easement is a land right document, and a right-of-way is the physical land upon which the facilities (transmission line, roadway, etc.) are located.

How long does an easement last? Most electric

utility easements are perpetual and not subject to termination or expiration. Once an easement is signed, it becomes part of the property record. The company, landowner who signed the easement and all future property owners, are bound by the easement agreement terms. If the company removes the transmission line and abandons the right-of-way, it can release the easement rights. How are landowners paid for an easement? Landowners typically are given a one-time payment based on fair market value for easement rights to their land. Most of the land encumbered by the easement is still usable for the same purpose it had been used for, particularly in agricultural settings. Landowners are also eligible for reasonable compensation for property damage that may occur when the transmission line is constructed and during future repair and maintenance. Those terms are addressed in the easement document.

What easement rights will be needed for the construction of a power line? Helemano Solar will require an easement agreement that allow for surveying, construction, operation and maintenance of a transmission line across a defined right-of-way located on the landowner's property. These easements will include the right to clear, trim and remove vegetation and trees from within the right-of-way.

What activities are allowed within the easement? Land within the right-of-way may be used for any purpose that does not interfere with the construction, operation or maintenance of the transmission line. In agricultural areas, the land may be used for crop production and pasture. In areas where the land will be developed, streets, lawn extensions, underground utilities, curbs and gutters, etc., may cross the right-of-way with prior written permission from the company.

Why are there restrictions on the land?

Providing electrical energy is an essential public service, and some restrictions are necessary within the right-of-way to maintain safe and reliable operations of the transmission line. Utilities have determined that the best way to prevent outages is to restrict the placement of structures within the right-of-way. If a building or structure in the right-of-way caught fire, it could burn into the power line and take the line out of service for an extended period of time. Additionally, buildings or other structures in the right-of-way could hamper maintenance crews from accessing the line if an

outage occurs.

What are the main building and planting restrictions in the easement? Conditions will vary, but the primary building and planting restrictions within the right-of-way are in place to ensure that a utility has the necessary clearance for operation and maintenance, and to comply with the National Electric Safety Code. Restrictions within the right-of-way prohibit constructing buildings and structures, storing flammable materials and planting tall-growing vegetation. Why doesn't the company just buy the land

Company's main interest is simply acquiring the amount of land necessary to build and operate a transmission line. Landowners generally prefer to retain ownership of the property so they can maintain better control over its use within the easement restrictions. Often, retaining ownership allows the landowner continued use of the property for things such as agricultural operations, yard extensions or open space, and allowing the property to continue to contribute positively and productively to the owner.

instead of negotiating an easement?

Generally, how large is the area covered by an easement or a right-of-way? The voltage and the type of transmission structure being built determine the size of the right-of-way.

AGRIBUSINESS DEVELOPMENT CORPORATION

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS April 17, 2025

Subject: Request for approval to issue a new license agreement to ITC Water Management, Inc. for 1 gross acre, more or less, of land for base yard purposes in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (1) 1-2-002:001 (por.) Applicant: ITC Water Management, Inc. Authority: 163D-4(a)(5), Hawaii Revised Statutes Area: 1.0 gross acre, more or less Field No(s): Base Yard 2 (see Exhibit "A") Tax Map Key: (4) 1-2-002:001 (Property) Land Status: Set aside to the Agribusiness Development Corporation by Governor's Executive Order No. 4007, as amended by Executive Order Nos. 4034, 4165, and 4330 for Agricultural and Related Purposes Trust Land Status: Section 5(b) lands of the Hawaii Admission Act Yes 🏻 No \square DHHL 30% entitlement lands pursuant to the Hawaii State Constitution? Yes X No \square Zoning: SLUD: Agricultural CZO: Agricultural Character of Use: Industrial base yard Land Doc. Type: License

Term:

Rental Rate

5 years

\$150 per month

Annual Rent: \$1,800.00

Request for approval to issue a new license agreement to ITC Water Management, Inc. for 1 gross acre, more or less, of land for base yard purposes in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (1) 1-2-002:001 (por.)

April 17, 2025

BACKGROUND:

Kekaha Agriculture Association (KAA) issued a Revocable Right of Entry Agreement dated April 1, 2011 to ITC Water Management, Inc. (Applicant) for approximately 1.0 gross acres of land in Kekaha, Kauai for base yard purposes at a rate of \$100/month (see exhibit "B"). The Agribusiness Development Corporation (ADC) was not a signatory to the agreement and the agreement expired on its own on March 31, 2014. However, the tenancy has continued on a month-to-month basis and they have maintained appropriate levels of insurance.

More recently, ADC staff was aware of the use of the property by ITC but understood it to be a temporary use based on ADC and/or KAA projects with which ITC was assisting. Once staff became aware that the land use was more permanent, they requested documentation of the land use from KAA and ITC.

Applicant wishes to continue the tenancy under appropriate agreement.

REQUEST:

Applicant requests a license agreement for the subject property (see exhibit "A") for continued use for base yard purposes.

OPERATIONAL PLAN:

Applicant intends to use the premises to store equipment and supplies for local projects with which they are assisting or contracted. Some of those projects may not be ADC or KAA projects.

CONSERVATION PLAN/BMPs:

Applicant shall be required to maintain appropriate BMPs which shall be identified in the license agreement.

CHAPTER 343:

Under section 343-5(a), Hawaii Revised Statutes, an environmental assessment shall be required for actions, that propose, among other things, the "(1) use of state land or county lands, or the use of state or county funds[.]" In this case, the project triggers an environmental assessment because it proposes the use of state lands and the use of state funds. However, the action is exempt from the requirement to conduct an environmental assessment under Exemption Class 10(12) of the Comprehensive Exemption List for the Agribusiness Development Corporation dated May 1, 2018, which exempts licenses issued by ADC that are routine in nature, involving negligible impacts beyond that previously existing.

DISCUSSION:

While the revocable right of entry agreement has expired, Applicant has continued to pay rent on a month-to-month basis (albeit to KAA) and has consistently maintained commercial general liability insurance in appropriate amounts. The use is consistent with ADC's agricultural mission and the public purpose identified in Governor's Executive Order No. 4007. Approval of this action represents an increase of \$1,800/year to ADC rental income (subject to DHHL & OHA entitlements).

Request for approval to issue a new license agreement to ITC Water Management, Inc. for 1 gross acre, more or less, of land for base yard purposes in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (1) 1-2-002:001 (por.)

April 17, 2025

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

- 1. Approve the Request, subject to the following conditions:
 - a. Rent shall be \$150 per month; and
 - b. License term shall be for 5 years; and
 - c. Assignment of the license or sublicensing of the premises shall be strictly prohibited.
- 2. Declare that, pursuant to ADC's Comprehensive Exemption List dated May 1, 2018, the proposed disposition will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment, pursuant to Chapter 343, Hawaii Revised Statutes.

Respectfully Submitted,

LYLE ROE
Asset Manager

Approved for Submittal:

Wendy Gady

Attachment(s):

Exhibit A Map

Executive Director

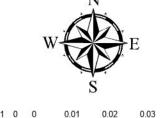
Exhibit B Expired Revocable Right of Entry Agreement





Base Yard 2 1.0 gross acres Kekaha, Kauai, Hawaii

TMK (4) 1-2-002:001 (por.)



0.01 0 0 0.01 0.02 0.03 0.0 Miles

Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, ® OpenStreetMap contributors, and the GIS User Community. This work is licensed under the Esri Master License Agreement View Summary | View Terms of UseExport: This layer is not intended to be used to export tiles for offline. Esri, USGS This map was developed by the Agribusiness Development Corporation, State of Hawaii.

REVOCABLE RIGHT OF ENTRY AGREEMENT

This REVOCABLE RIGHT OF ENTRY AGREEMENT, entered into as of (APOL 1, 2011), is between the KEKAHA AGRICULTURE ASSOCIATION, whose address is P.O. Box 940, Waimea, HI 96796 ("Permittor"), and ITC WATER MANAGEMENT, INC. P.O. Box 458, Haleiwa, Hawaii 96712 ("Permittee").

Permittor hereby grants to Permittee permission to enter, and Permittee hereby accepts such permission to enter, the Property defined in this Agreement, subject to the terms and conditions of this Agreement.

<u>AGREEMENT</u>

A. <u>Specific Provisions</u>. The following constitute "Specific Provisions" of this Agreement and are referred to elsewhere in this Agreement. (References in these Specific Provisions to "Section" refer to the section number of the General Provisions of this Agreement, which are attached as <u>Exhibit B</u>. All capitalized terms in these Specific Provisions, unless otherwise defined herein, have the meanings given to them in the General Provisions.)

1. Property:	The Property shown on Exhibit A, constituting of
(Section1)	approximately 1.0 acre situated in Waimea, Kauai, Hawaii Tax
	Map Key No.: (4) 1-2-02: 1

2. Term: The term of this agreement shall be effective // 2011. (Section 2)

2011 to March 31, 2014, unless sooner terminated as provided in this Agreement.

3. Purpose(s) for Entry shall be solely for the following purpose(s): baseyard including the storage of materials and equipment.

(Section 3)

4. Insurance: Minimum Coverage Limits: (Section 7)

Comprehensive general liability insurance, including contractual liability insurance in the combined single limit of not less than \$1,000,000.00 per loss and in the aggregate;

5. Special Terms: The following items (if any) are in "Special Terms" to this Agreement. To the extent there is any conflict between these Special Terms and any other terms of this Agreement, these Special Terms shall control:

(1) Permittee will be required to pay a monthly base fee of \$100.00 to the KAA effective

- January 1, 2012 and provide monthly maintenance checks to the Huluhulunui pumping station, effective immediately upon execution of this agreement.
- (2) Permittee will maintain the Premises in good order clean, neat, sanitary and in a safe condition at all times.
- (3) General Provision Section 2, <u>Term.</u> is modified as follows: Permittee will have not less than 30 days to vacate the property upon written notice to do so.
- (4) General Provision Section 5 Compliance with Laws, is modified to allow the use of fuel and chemicals normally used in connection with permittee's business operations, provided such use is in compliance with all applicable laws, ordinances and governmental rules and regulations.
- (5) Permittee may terminate this agreement upon 30 days notice to Permittor.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written.

KEKAHA AGRICULTURAL ASSOC.

By: War R Rock Its: President

Permittor

ITC WATER MANAGEMENT, INC.

Ito PO 65

Permittee

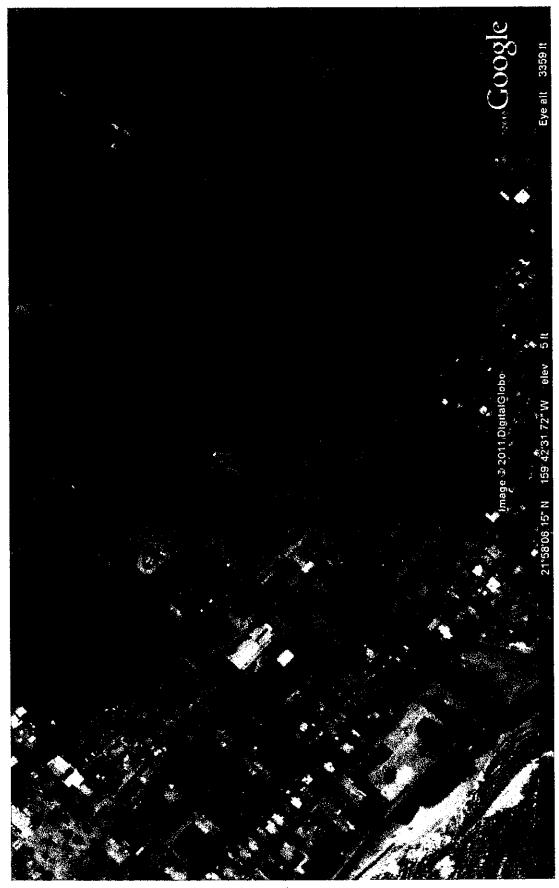


EXHIBIT "A"

EXHIBIT B GENERAL PROVISIONS

- 1. Grant of Right of Entry. Owner hereby grants Permittee permission to enter the Property identified in the Specific Provisions and described in Exhibit A attached to this Agreement (the "Property") during the Term (as defined below) solely for the purposes stated below, subject to the terms and conditions of this Agreement. Permittee hereby accepts such permission to enter and agrees to comply with all of the terms and conditions of this Agreement.
 - 2. <u>Term.</u> The term of this Agreement shall be for the period set forth in the Specific Provisions, beginning and ending on the dates set forth in the Specific Provisions (the "Term"); provided, however, that notwithstanding anything in this Agreement to the contrary, Owner may revoke and terminate this Agreement at any time, in Owner's sole discretion, for any or no reason, upon 24 hours prior written notice to Permittee.
 - 3. Purpose for Entry. Permittee's entry onto the Property shall be only for the purpose or purposes expressly set forth in the Specific Provisions and for no other purpose or purposes.

4. Rules and Conditions For Entry.

- a. <u>Authorized Persons</u>. Only Permittee and its respective agents, employees, contractors, and representatives (collectively, the "Authorized Persons") shall be allowed to enter the Property under this Agreement.
- b. <u>Performance of Work</u>. All work must be conducted in accordance with applicable laws and in a safe and workmanlike manner. Permittee and the Authorized Persons shall not unreasonably interfere with any other activities on the Property and shall take all reasonable measures for the prevention of dust, noise and other nuisances originating from the work.
- c. <u>Damages: Liens.</u> All damage or injury to the Property or any improvements or property thereon by Permittee or any Authorized Persons shall be promptly repaired by Permittee at its own cost and expense. Permittee and the Authorized Persons shall not commit any act or neglect that may subject the Property to any lien or encumbrance. Permittee shall promptly discharge any such lien or encumbrance by paying the amount claimed. Permittee shall not leave any equipment or other items on or about the Property without Owner's prior written consent.
- d. <u>Compliance with Laws</u>. Permittee shall comply with all laws, ordinances, and governmental rules and regulations which apply to the Property, the use of the Property, or the work to be performed by Permittee or any Authorized Persons on or with respect to the Property. Without limiting the foregoing, Permittee shall not cause or permit the Property to be in violation of any federal, state or local laws, ordinances or regulations, now or hereafter in effect, relating to environmental conditions, industrial hygiene or hazardous materials ("Hazardous Materials Laws"). Permittee shall immediately advise Owner in writing of the discovery by Permittee or any Authorized Persons of any occurrence or condition on the Property or adjoining properties relating to Hazardous Materials Laws. Permittee shall not permit or cause, or allow the Authorized Persons to permit or cause, any hazardous materials to exist on, under or about the Property.
- e. <u>Preservation of Historic and Archaeological Sites</u>. Permittee shall take every reasonable precaution to preserve and leave unaltered all places, if any, of historic and/or archaeological interest, including without limitation, structures and sites listed on the Hawaii State Register of Historic Places and/or the National Register of Historic Places, ponds, reservoirs, heiau, altars, agricultural terraces, lo'i, walls, anwai, house platforms, imu, petroglyph sites, cemeteries; and all objects, if any, of historic and/or archaeological interest, including, without limitation, antiquities and specimens of Hawaiian or other ancient art or handicraft which may be found in or on the Property. Upon the discovery of such objects or of any human remains in or on the Property, Permittee shall leave the same untouched and shall immediately notify Owner of the type and location of such discovery.

- f. Other Rules and Conditions for Entry. Permittee shall comply with all other reasonable rules and conditions for entry that Owner may from time to time make and provide in writing to Permittee.
- 5. <u>Right of Entry is Non-Exclusive</u>. The right of entry given to Permittee by this Agreement is non-exclusive. This Agreement is not a lease or a grant of an easement or of any other interest in the Property, and Permittee agrees not to claim any interest in the Property under this Agreement.
- Risk of Damage to Person or Property: Indemnity. As a material part of the consideration to Owner for this Agreement, Permittee assumes all risk of damage to property and bodily injury or death to persons incurred in, on or about the Property during, or directly or indirectly arising out of, the entry onto the Property by Permittee or any Authorized Persons, regardless of what causes any such damage or injury. Permittee hereby waives all claims which Permittee may have, now or later, against Owner and its trustees, executives, officers, employees, agents, contractors and invitees (collectively, "Owner and its Agents and Invitees"), for any such damage, injury or death. Further, Permittee agrees to indemnify, defend and hold harmless Owner and its Agents and Invitees from and against any and all claims, liabilities, damages, losses, costs and expenses (including reasonable attorneys' fees and costs) (collectively, the "Claims") for which Owner and its Agents and Invitees may become liable, including, without limitation, Claims made by any Authorized Persons or any person (including insurance companies and employees) claiming under, or reporting to, or under the supervision or control of Permittee or any Authorized Persons, which Claims, directly or indirectly, arise out of, are caused or occasioned by, or result from: (a) the entry by Permittee or any Authorized Persons onto the Property, (b) the performance by Permittee or any Authorized Persons of work at or about the Property, (c) a breach of this Agreement by Permittee, or (d) acts or omissions of Permittee or any Authorized Persons. Permittee further agrees that in case of any Claim, threatened or actual, against Owner or Owner's Agents or Invitees, upon written request of Owner or Owner's Agents or Invitees, Permittee shall defend the same at Permittee's expense by counsel satisfactory to the person requesting the same. If no request is made for such defense or if Permittee does not provide such defense, then Permittee shall reimburse Owner and its Agents and Invitees for the cost of such defense, and agrees to cooperate with Owner and its Agents and Invitees in such defense, including, but not limited to, the providing of affidavits and testimony upon request of Owner and its Agents and Invitees. The provisions of this section shall survive termination of this Agreement.
- 7. Insurance. Permittee shall procure and maintain at Permittee's expense during the Term (and shall cause the Authorized Persons to procure and maintain during the Term), the insurance policies and coverages, with the minimum limits, set forth in the Specific Provisions, and upon such terms and conditions as are customarily included in such lines of insurance written for responsible companies in the same type of businesses as the Authorized Persons. Owner shall be an additional insured on all insurance policies required under this Agreement. Copies of such policies or certificates showing the existence of such policies shall be given to Owner upon execution of this Agreement.
- 8. Remedies. If either party breaches its agreements or obligations under this Agreement, the other party may seek specific performance, damages, and/or any other remedy available at law or in equity. Further, if Permittee breaches any of its agreements or representations, Owner shall have, in addition to all other rights and remedies available at law or in equity, the right to immediately terminate this Agreement upon written notice to Permittee.
- 9. Reports: Confidentiality. Permittee shall promptly furnish to Owner, free of charge and free of limitations on use, copies of all reports, studies, tests and other information relating to the condition of the Property that result from Permittee's entry onto the Property, and, except as otherwise required by law, Permittee shall not disclose such reports, studies, tests and other information to any person or entity, without Owner's prior written consent. This section shall survive termination of this Agreement.

10. Miscellaneous Provisions.

a. <u>Time of the Essence</u>. Time is of the essence in respect of all provisions of this Agreement in which a definite time for performance is specified.

- b. <u>Legal Action</u>. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Hawai'i. If legal action, declaratory or otherwise, is brought by either party for the determination of any controversy arising hereunder, the recovery of any payment due hereunder or because of the breach or threatened breach of any term, covenant, or provision hereof, the party prevailing in that action shall be entitled to recover from the party not prevailing, the costs of suit and reasonable attorneys' fees.
- c. <u>Invalid Provisions</u>. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision(s) were omitted. If a provision hereof is only partially enforceable, it shall be enforced to the fullest extent permissible. The section and/or paragraph headings in this Agreement are inserted only as a matter of convenience and in no way define, limit, or describe the scope or intent of this Agreement or any provisions hereof or in any way affect this Agreement.
- d. <u>Waiver or Modification</u>. Neither this Agreement nor any provision hereof may be waived, terminated, or rescinded except by a written instrument signed by the party charged with the alleged waiver, termination or rescission. Further, neither this Agreement nor any provision hereof may be amended or otherwise modified except by a written instrument signed by the parties to this Agreement.
- e. <u>No Assignment</u>. Permittee shall not assign, delegate or transfer any right or obligation under this Agreement.
- f. <u>Binding Effect</u>. This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective successors and permitted assigns.

[END OF EXHIBIT B]

AGRIBUSINESS DEVELOPMENT CORPORATION

E-4

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS April 17, 2025

Subject: Request to accept and approve the new license fees for new Kauai land

applicants.

Applicant: Agribusiness Development Corporation (ADC)

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. 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 states: "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, ADC staff commissioned a fair market rent appraisal of various lands located on the islands of Oahu and Kauai. The appraisal for Kauai was received in August 2024. Specifically, the ADC properties in Kalepa and Kekaha on Kauai were appraised.

The ADC Administration Committee Meeting held public meetings on January 14, 2025 and March 28, 2025. The license fee for new Kauai licensees and the common area maintenance (CAM) rates were discussed. The Kauai appraisal was shared with representatives of the Kekaha Agriculture Association and the Kalepa Koalition for review. Testimony from interested parties was received.

At the March 28, 2025 meeting, the ADC Administration Committee decided to recommend that the ADC Board increase the Kauai license fees as shown in the table below:

KEKAHA DivAg	RENT	САМ	TOTAL	COMMENTS
				Appraisal Report dated August 2024 conducted by Medusky &
Appraised	\$600	\$117	\$717	Co., Inc. Numbers indicated are \$/acre/year
				Based on May 26, 2010 Board decision (see minutes and
Current	\$150	\$480	\$630	letter).
Admin.		·		rationale: use appraised total as cap, less current KAA CAM
Comm. Recom	\$235	\$518	\$753	to establish new ADC rents. Results in \$85/a/y increase.

KALEPA DivAg	RENT	САМ	TOTAL	COMMENTS
				Appraisal Report dated August 2024 conducted by Medusky &
Appraised	\$600	\$26	\$626	Co., Inc. Numbers indicated are \$/acre/year
Current	\$100	\$18	\$118	CAM assessed by Kalepa Koalition is approximate.
Admin. Comm. Recom	\$200	\$25	\$225	CAM is variable and set by Kalepa Koalition membership to manage security gates and clearing roadside.

KALEPA				
Pasture	RENT	CAM	TOTAL	COMMENTS
				Appraisal Report dated August 2024 conducted by Medusky &
Appraised	\$100	\$26	\$126	Co., Inc. Numbers indicated are \$/acre/year
Current	\$30	\$18	\$48	CAM assessed by Kalepa Koalition is approximate.
Admin.				CAM is variable and set by Kalepa Koalition membership to
Comm. Recom	\$50	\$25	\$ 75	manage security gates and roadside clearing.

The ADC Administration Committee was unable to recommend CAM rates because the Committee members were unable to ascertain the scope of work included in the CAM fees. The ADC Administration Committee requested that ADC staff obtain audited financial records related to all CAM assessments from Kekaha Agriculture Association and the Kalepa Koalition so the Committee could better understand the elements and issues involved.

REQUEST:

Request to accept and approve the new license fees for new Kauai land applicants. The recommended license fees are:

Kekaha Diversified Agriculture use is \$235 per acre per year.

Kekaha has no acres designated as pasture.

Kalepa Diversified Agriculture use is \$200 per acre per year.

Kalepa Pasture is \$50 per acre per year.

REMARKS & DISCUSSION:

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

Kekaha

Diversified Agriculture land

3,000 acres @ \$235/acre/year = \$705,000 annually

April 17, 2025

Kal	ena

Diversified Agriculture land Pasture land

160 acres @ \$200/acre/year = \$32,000 annually 0 acres @ \$50/acre/year = \$0.00 annually

RECOMMENDATION:

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

1. Approve the Request to use the recommended license fees for new Kauai land license agreements.

	Respectfully Submitted,	
	MARK H. TAKEMOTO Senior Executive Assistant	
Approved for Submittal:		
Wendy Gady Executive Director		

AGRIBUSINESS DEVELOPMENT CORPORATION

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS April 17, 2025

Subject: Request for approval to request the set aside of the East Kauai Irrigation System

from the Hawaii Department of Land and Natural Resources to the Agribusiness

Development Corporation

Applicant: Agribusiness Development Corporation (ADC)

Authority: 163D-4(a)(6), 171-11, Hawaii Revised Statutes

Tax Map Key

Nos.

Various

BACKGROUND:

The East Kauai Irrigation System (EKIS) was developed and constructed in the early part of the 19th century by the Lihue Plantation and the East Kauai Water Company. As the name suggests, the system is located in East Kauai (see exhibit "A") and at the height of its operations, included "...51 miles of ditch and eighteen intakes. The system [brought] down anywhere from 80 to 180 mgd, with an average of 100 to 140 mgd. In 1984, eleven people, seven from [East Kauai Water Company] and four from Lihue Plantation, were needed to maintain this system." (Wilcox, 1996)

With the demise of the plantation era, the ownership of most portions of the system reverted to the State of Hawaii (State). Through funding and agreement between the State the East Kauai Water Users' Cooperative (Co-op), the system was managed until a lapse in funding caused the Co-op to terminate their agreement with the State and dissolve the Co-op. The system has sat largely unmanaged and deteriorating to present day.¹

In 2022, the Hawaii Department of Land and Natural Resources (DLNR) held a series of scoping meetings at which they announced their possible intention to decommission the Wailua Reservoir, which, in turn, would effectively de-activate certain portions of EKIS and remove a significant community asset.

REQUEST:

ADC requests that the Board of Land and Natural Resources (BLNR) give prior approval to the Governor to set aside the East Kauai Irrigation System to the Agribusiness Development Corporation for agricultural irrigation and related purposes, or such other public purpose as BLNR may determine is appropriate (Request).

OPERATIONAL PLAN:

If the Request is approved, ADC intends to use the system to provide water for agricultural irrigation purposes to ADC lands, as well as other lands served by EKIS, including Department of Hawaiian Homeland properties and operations. Other nearby properties, including the Bette Midler estate are interested in water for agricultural operations from the system.

CONSERVATION PLAN:

N/A

CHAPTER 343:

Under section 343-5(a), Hawaii Revised Statutes, an environmental assessment shall be required for actions, that propose, among other things, the "(1) use of state land or county lands, or the use of state or county funds[.]" For this proposed action, the project triggers an environmental assessment because it proposes the use of state lands and the use of state funds. However, for the limited scope of this request, the action is exempt from the preparation of an environmental assessment under Exemption Class 10(8) of the Comprehensive Exemption List for the Agribusiness Development Corporation dated May 1, 2018 which states, "Continuing

¹ The Hawaii Department of Land and Natural Resources has contracted with a private contractor to minimally maintain portions of the system, including the Wailua Reservoir, Lower Kapahi Reservoir, and select appurtenances.

administrative activities, including, but no limited to, purchase of supplies and personnel-related actions. Appropriate exemptions may include ... Acquisition of land or easements on which crops, livestock, water or power system facilities and appurtenances are presently situated or under construction."

Future system projects or modifications may trigger the environmental review process.

DISCUSSION:

Many portions of EKIS are overgrown and in disrepair. The main transmission line between Wailua Reservoir and the Kapahi reservoirs is inoperable, and the ditch system and appurtenant structures suffer from leaks and damage due to many years of little to no maintenance. However, the system still has the capacity to provide agricultural irrigation water to a wide area of East Kauai. In the 2024 legislative session, the Legislature recognized the value of the system and appropriated funding and positions including a water manager, three water workers², and \$500,000 to allow ADC to acquire, manage, and rehabilitate the system. Further, the Hawaii Department of Agriculture contracted Element Environmental, LLC to conduct a facilities assessment study of the system that included an inventory of the system, a preliminary assessment of the system components, cost estimate to repair the system, cost estimate to operate and maintain the system, cost estimate for future improvements for efficiency, reliability, and metering, identify current and potential users, identify easements and maintenance access points, and identify existing permits or required permits for water intake and use.

Based on that report, ADC will undoubtedly encounter challenges relating to the management, control, and improvement of EKIS that will require further approvals and funding. However, staff believe that it is in the best interest of ADC and the State to maintain this system to ensure that agriculture may continue to develop in East Kauai.

"The EKIS continues to be a critical asset for its current users, as well as offering significant potential to support diversified agriculture, increased local food production and food security in the Wailua-Kapaa and Kalepa areas. In addition to agricultural benefits, components of the system (namely the Wailua Reservoir) provide the added benefit of local recreation areas, increases in property value (for properties adjacent to the Upper Kapahi Reservoir), as well as flood mitigation and stormwater management. Based on feedback from interviews with property owners, current and former operators, there still remains strong community support for the EKIS." (Element Environmental, LLC, 2024)

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

- 1. Approve the Request; and
- 2. Declare that, pursuant to ADC's Comprehensive Exemption List dated May 1, 2018, the approved action will probably have minimal or no significant effect on the environment

² See Public Act 230 of 2024. Funding for water manager and water worker wages and benefits was authorized through ADC's Agriculture Development Revolving Fund which is dependent upon the collection of rental income.

and is therefore exempt from the preparation of an environmental assessment, pursuant to Chapter 343, Hawaii Revised Statutes.

	Respectfully Submitted,
	LYLE ROE Asset Manager
Approved for Submittal:	Asset Manager
Wendy Gady Executive Director	
A ()	
Attachment(s): Exhibit A East Kauai Irrigation System C	Overall Map

Works Cited

Element Environmental, LLC. (2024). Facilities Assessment Study: East Kaua'i Irrigation Syestem. Aiea: Element Environmental, LLC.

Wilcox, C. (1996). Sugar Water: Hawaii's Plantation Ditches. Honolulu: University of Hawaii Press.



Envisioning the Hawai'i Food and Product Innovation Network (FPIN)

Meeting of the Board of Directors April 17, 2025

Kimi Makaiau

Project Supervisor/Senior Research Associate
Office: (808) 945-4704
Fmail: kmakajau@hawaji.edu

University of Hawai'i of Mānoa School of Architecture 2410 Campus Road, Room 101A



UHCDC - University of Hawai'i Community Design Center



Who we are.

We are a collective of University of Hawai'i faculty, staff, and allied professionals across university departments and disciplines, assisted by student interns and recent graduates. UHCDC provides a platform for collaboration on public interest built environment work.

What we do.

We provide alignment, engagement, communication, research, planning, and design services that provide stakeholders with data, analysis, prototypes, insights, resources, and visualizations that help to collectively guide and inform next steps.

UHCDC - University of Hawai'i Community Design Center



Proof of concept involves pre-procurement, research, planning, and design services that can include, but is not limited to stakeholder alignment, community engagement, applied research, design investigations, prototyping, and preliminary costing to better define and fund projects ahead of contracting a professional planning and design team.

We engage projects in their very beginning stages.

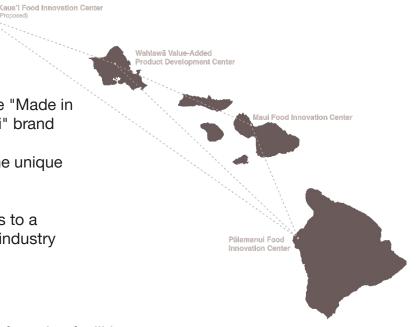
Hawai'i Food and Product Innovation Network (FPIN)

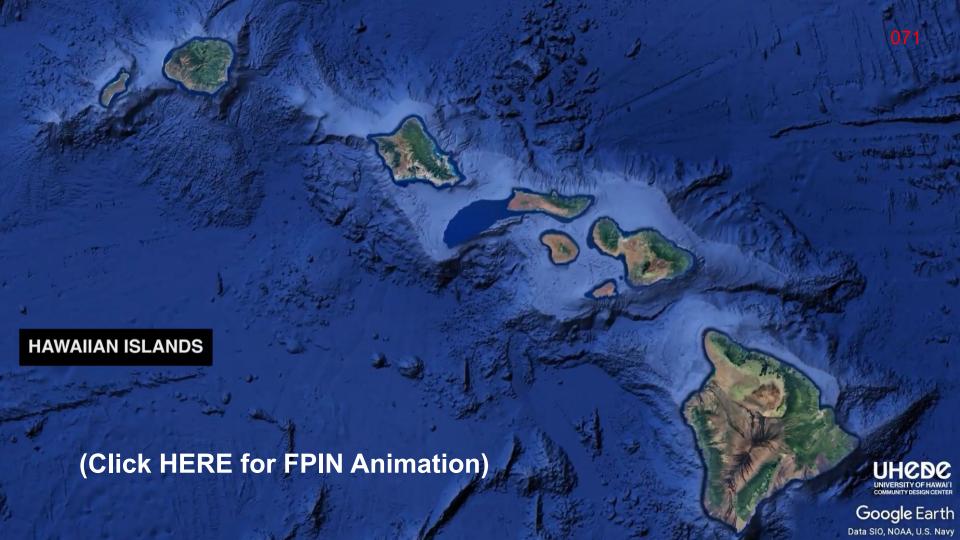
Purpose of the Network

- 1. Enable businesses to capitalize globally on the distinctive "Made in Hawai'i," "Produced in Hawai'i," or "Processed in Hawai'i brand
- Foster the creation of world-class products that reflect the unique identity, heritage, and resources of Hawai'i
- Scale up production by providing businesses with access to a diverse suite of manufacturing equipment, facilities, and industry expertise

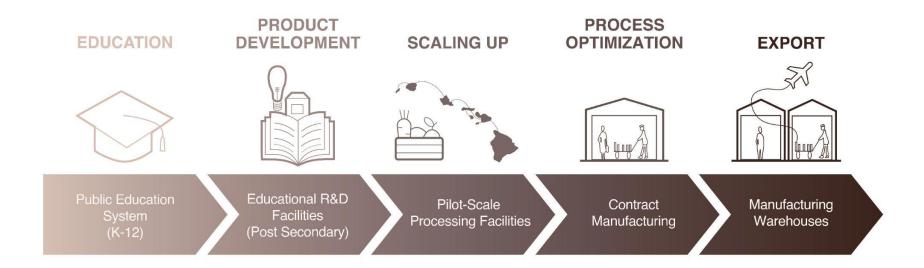
This network will include:

- Statewide open-access food and product R&D and manufacturing facilities
- Technical expertise support
- Advanced production and manufacturing equipment
- Training and commercialization services





Education to Export Pathway



Hawai'i's emerging Food and Product Innovation Network is designed to create a sustainable and resilient agricultural economy by building a seamless pathway from education to export.

Improving Food Security & Resiliency



UHCDC - University of Hawai'i Community Design Center

Design Process Facility Precedents

Site Visits Engagement Outreach

Deliverables Final Report

Proof of Concept Cost Estimates

Next Steps Identify Priority Investment Regions

Apply FPIN Planning Framework

ADC Strategic Plan

Mahalo.









To learn more about our work, please visit engagehawaii.org.



M^NA UP

ADC - April 2025

WHO WE ARE



Mana Up Co-Founders, Meli James & Brittany Heyd

Co-founded in 2017, Mana Up is an economic initiative focused on scaling Hawai'i-based businesses globally to increase economic opportunity and jobs for the people of Hawai'i.

Initially launched as an Accelerator, Mana Up has expanded into a entrepreneurial ecosystem to include additional business growth programs, sales channels, a venture fund, and most recently the Mana Up Foundation.



A STRONG LOCAL PRODUCT ECONOMY:

- → Creates meaningful job opportunities for the next generation
- → Fosters sustainable tourism by integrating with local people and companies
- → Generates economical use of thousands of acres of open agricultural land in Hawai'i
- → Elevates culture and storytelling from our own communities shared to a global audience
- → Multiplies economic impact of dollars spent locally through community giveback

ACCELERATOR CRITERIA



All of the companies participating in our program have these characteristics:



Hawai'i-based founder + company



Quality of product, founder story & traction considered during application



Retail, beauty or value-added food products that are good for export



Generate a minimum of \$100,000 in annual revenue



Elevates Hawai'i brand through authentic connection/story



Plans to scale beyond Hawai'i



Mana Up Accelerator: 95 Hawai'i-Based Companies



Food (40)

Fashion (20)

Home (20)

Health & Beauty (15)









Mana Up Accelerator Portfolio at a Glance Cohorts 1-9 (95 companies)



100%

Headquartered in Hawai'i



75%

Manufacture their products in Hawai'i



60%

Source raw ingredients locally



47%

Native-Hawaiian owned businesses



72%

Female founded & led businesses



65%

AAPI- owned businesses

THE WAS TO SHOW THE WAY

Economic Impact of Mana Up Cohorts 1-9





\$1.17M

Avg Annual

Revenue Per

Company



33% Mean Growth Rate



1,100Jobs Created in Hawaii

TAY/AUMANING MINING MUNING MUN

ALUMNI BY ISLAND

KAUA'I

Brianne & Co. Hobbs Tea Kaua'i Hemp Company Kauai Sweet Shoppe Meli Wraps Monkeypod Jam



PoMahina Designs

O'AHU

ALIKALEO PARK Aloha de Mele Aloha Flixir Aloha Modern Ambassadors with Aloha

Utara Organics

ava + oliver Averylily Banan Bizia

Body Mint

Bradley & Lily Coco Moon

David Shepard Hawai'i

Haku Collective Hanalei Beauty Hawaii Meats Hawaiian Pie Co. Hawaiian Soda Co. Hawaiian Rainbow Bees

Honua Hawaiian Skincare

HAYN

Jules + Gem Hawai'i

Kahuku Farms Kahulale'a

Kaka'ako Kasuals Kakou Collective

Keiki Kaukau

Kō Hana Rum Kris Goto

Laha'ole Designs

Lei Palm

Lexbreezy Hawai'i

Little Hands Lola Pilar

Lotus & Lime Mamalani

Manele Spice Co Mānoa Chocolate

Mohala Eyewear

Nick Kuchar Art & Design Co.

NOHO Home Ohana Nui Okonokai Pono Potions

Sea Salts of Hawaii Surf Shack Puzzles

Sweet Land Farm

Swiss Inn

Tag Aloha Co. Tea Chest

URΔF Ulu Mana

Voyaging Foods

Yireh

MAUI

Advance Wildlife Education Farm to Fudge Maui Haku Maui

Hi Spice Inc

Maui Chili Chili Oil Maui Crisps

Maui Nui Venison

083

Napili Flo Farm Slab

To Be Hawai'i VITALITEA HAWAI'I

Waiwaolani Wrappily

HAWAI'I ISLAND

Ao Organics

Big Island Coffee Roasters **FUSED**

Hā Tonics

Hawaiian Rainforest Naturals

Hawaiian Vanilla Co

Hawai'i Ulu Cooperative

Island Harvest

Kaimana Jerky Kapa Nui Nails

Liko Lehua

Mālama Mushrooms

Mana Artisan Botanics

Pawniolo Pets

Pō Naturals

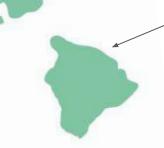
Revive Glassworks

Short N Sweet

Ua Body

Wai Meli

Western Aloha







- 6-month program, annually
 - Workshops
 - Goal Setting
 - Individualized coaching
- Curated mentor network
- Free and discounted tools and resources
- Strong retail and e-commerce partnerships, guidance and support
- Featured at Mana Up Showcase (5M+ impressions)
- Robust alumni program upon graduation

Advancing the Entrepreneurial Journey Across Stages









MANA UP X SHOPIFY A free program designed to help Indigenous business owners in Hawai'i build skills, confidence and resources.



MANA UP X YWCA 6-week workshop series designed for female entrepreneurs starting new businesses.



MANA UP ACCELERATOR

6-month intensive tailored to meet the needs of Hawaii-based product businesses scaling into global markets.

WORKSHOPS
OFFICE HOURS
DISCOUNTED RESOURCES
SALES CHANNELS
MENTORSHIP



ALUMNI

WAYFINDERS

ALUMNI RETREAT

ONGOING OPPORTUNITIES

ONGOING PERKS

BANK OF HAWAII EXECUTIVE MENTORSHIP PROGRAM

Hawai'i Reimagined: More than Tourism

Expanding What We're Known For From the Inside Out



CAPACITY BUILDING

ACCELERATOR & ALUMNI PROGRAM FOR HAWAII'S HIGH POTENTIAL ENTREPRENEURS

Entrepreneur programs gives rising companies the skill sets and resources they need to grow.

STRATEGIC INTEGRATION WITH PUBLIC AND PRIVATE ENTITIES

By working with corporations across Hawaii and the state government, mutual goals are achieved by working together.



BRAND BUILDING

SHOWCASE: HAWAII TO THE WORLD

Our global event builds presence with new audiences and shows how Hawaii competes on a world stage.

NATIONAL MEDIA

Good Morning America appearances and others highlights new interesting stories from Hawaii.



REVENUE ENHANCING

ALOHA MARKETS: TOKYO, LA, NYC

In person pop up markets across the world consistently set records on sales and attendance.

RESTRUCTURING THE GUEST EXPERIENCE IN RETAIL

House of Mana Up and hotel integrations allow local companies to be part of the visitor and local experience in retail.

M^NA UK

Where We Thrive: Partnerships

With partnerships across local companies, international corporations, and more, we are able to activate campaigns, events, products and more to achieve mutual goals.





MANA UP PROGRAM ECOSYSTEM

Over 1,300 entrepreneurs have benefitted from a Mana Up program in the last 7 years.



Retail & Aloha Market Pop Ups



South Shore Market At Ward Village



Royal Hawaiian Center



Mauna Kea Market



Mauna Loa Visitor Center



Plumeria Market



Aloha Market Los Angeles



Aloha Market Tokyo



Aloha Market NYC

Value-add products gaining momentum







High quality sourcing, product innovation & craftsmanship is being recognized on a global level







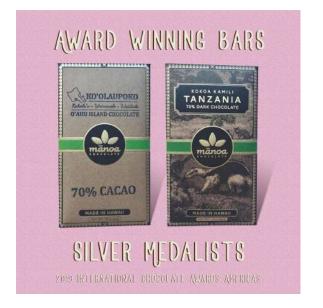


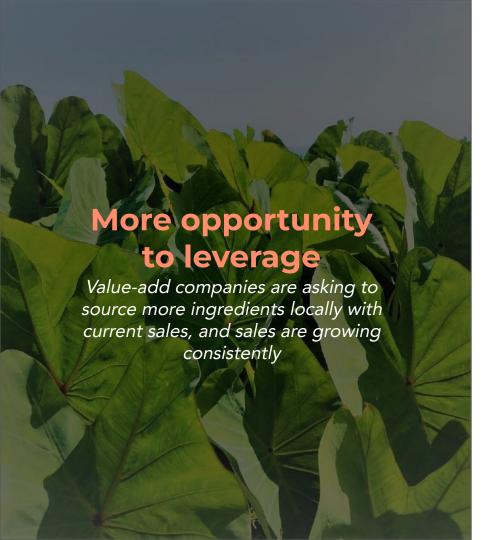












- Cacao
- 'Ulu
- Beeswax
- Sugar
- Taro
- Essential Oils
- Jojoba Oil
- Lilikoi
- Macadamia Nut
- Kukui Nut
- Coconut
- Spirulina
- Papaya
- Aloe

- Lychee
- Rhubarb
- Strawberry
- Tea
- Wheat
- Guava
- Hibiscus
- Mango
- Arrowroot
- Cocoa Butter
- Garlic
- Coffee
- Avocado





16 HAWAI'I FARMS 093 CREATING PRODUCTS

































Generating Revenue for Hawaii's Farms



LOCAL SOURCING



HAWAI'I ISLAND

Cacao Coffee Mac Nuts Sea Salt 'Ulu

Cattle Ahi Tuna Vanilla Honey

Beeswax Turmeric Liliko'i Coconut

Tea Awapuhi 'Olena Sandalwood

O'AHU

Cacao Taro 'Ulu Coffee Sugar Cane Cattle Liliko'i Tea Banana Honey

Acai Mango Papaya Sweet Potato Mac Nuts

Tea **Beets** Hibiscus Ginger

Seaweed

MAUI

Albizia

'Ulu Cacao Guava Coffee Peppers Axis Deer Papaya Lavender Mango Taro Onions Pineapple Mac Nuts

KAUA'I

Mangosteen Beeswax Cattle Vanilla Ginger Fruits Hemp





MANA UP COMPANIES CONTRIBUTE TO A MORE SUSTAINABLE HAWAI'I

Reducing Greenhouse Gasses / Food Waste

<u>Island Harvest</u> certified-organic mac nut farms with mac nut products; % of profits directly enable company to spread more compost, plant more trees, and to do other activities that improve soil and tree health.

<u>HI Spice</u> is a hot sauce crafted with locally sourced ingredients that is inspired, grown and made on Maui. Its assortment of products highlight local produce like liliko'i, guava, pineapple, mango, papaya, along with peppers sourced from local farmers with excess produce and supply - otherwise destined for the landfill.

<u>Pawniolo Pets</u> makes nutritious raw pet food, single-ingredient pet treats and preservative-free chews using 100% of yield from grass-fed animals that are raised 100% on their farm located in Waimea on the Big Island.





MANA UP COMPANIES CONTRIBUTE TO A MORE SUSTAINABLE HAWAI'I

Food Security

<u>Banan</u> turns Hawaii-grown bananas into dairy-free frozen treats; helps support local agricultural growth and revive Hawaii's banana industry

Kaimana Jerky was founded out of love for the ocean and creating unique products through its resources. Though delicious and high-quality protein snacks, Kaimana Jerky fuels people's mind and body with locally and sustainably sourced, wild-caught Ahi Tuna.

<u>Mānoa Chocolate</u> is a world-renowned bean-to-bar chocolate factory. Through direct trade of single origin cacao from around the world and across the Hawaiian Islands, Manoa Chocolate showcases the unique qualities of each region they source from.









SPOTLIGHTING HAWAII'S ECONOMIC POSSIBILITIES ON A GLOBAL STAGE AND A GATHERING OF A VIBRANT ENTREPRENEURIAL ECOSYSTEM



POWERFUL COMMUNITY EVENT: Celebrating our wins! As a group, we are making real headway in areas important to Hawaii's future.



CREATES GLOBAL EXPOSURE: Creating global exposure to potential customers everywhere, winning international awards



HIGHLIGHTS POWER OF MANY: Sending an important message when dozens of entrepreneurs, corporations and government come together

MANA UP IN 2025

Where We're Headed...

-AINA

COHORT 10

10 new companies and the entrepreneurs behind them participate in Mana Up's six-month accelerator program, growing the portfolio to 105.

HAWAIIAN AIRLINES

8 Mana Up alumni exclusive products created to celebrate Hawaiian Airlines' 95th anniversary.

ALOHA MARKET TOKYO

Mana Up returned to Haneda Airport with 50+ vendors, and introduced 4 Hawaii brands to Japan for the first time Feb 26-Mar 25.

ALUMNI RETREAT

55 Mana Up Alumni and select Partners gathered in February 2025 to talk story and plan for future impact.

ALUMNI WAYFINDER SERIES

Mana Up alumni will connect with Partners across all industries for mentorship and guidance.

NEW DIGITAL CHANNELS

ELEVATED PARTNERSHIP ACTIVATIONS

SHOWCASE 2025 MARKETPLACE

We will return to Bloomingdale's Ala Moana to celebrate Cohort 10 on November 6, 2025.

SHOWCASE 2025 GLOBAL LIVE STREAM

SHOWCASE 2025: ARTISTS TO WATCH CONCERT

MANA UP CAPITAL INVESTMENTS

M^NA UP

MAHALO TO OUR PARTNERS

Exclusive Airline Partner





Kamehameha Schools[®]



Innovator Partners





Founder Partners





Voyager Partners



















MAHALO!

Let's bring Hawai'i to the world.

Meli James, Cofounder meli@manauphawaii.com 808-354-1238

Brittany Heyd, Cofounder brittany@manauphawaii.com 808-938-0300





JOSH GREEN, M.D. GOVERNOR





WENDY GADY EXECUTIVE DIRECTOR

F-5

STATE OF HAWAI'I

AGRIBUSINESS DEVELOPMENT CORPORATION

HUI HO'OULU AINA MAHIAI

DA: April 14, 2025

TO: Agribusiness Development Corporation Board of Directors

FR: Wendy Gady, Executive Director

RE: April Month of Review

Agribusiness Highlights for the Month:

Administrative

- Submitted 4 Federal Delegation Grant Requests
- Met with each staff member to review Position Description and being outlining Goals & Objectives for FY26
- Staff Expansion: Actively finishing interviews for Kauai Water & Kauai Property Managers, posting Kauai Water Workers, and application review of CRFPIN
- o Working with OPSD & UHCDC regarding deliverables for ADC Strategic Plan
- Working with DBEDT & WAM on FY26 Budget Requests and answering questions

Land

- Ag Land Oahu: Staff is working hard on planning for future licensees on Oahu ADC lands,
 Ordering No Trespassing & Ag Crime Reporting Signs, Working with Department of Law
 Enforcement (DLE) for FY26 tenant meetings & CIP planning, Annual Tenant Reviews in Progress,
 Working on A/R, addressing tenant outstanding violations, Developing a Master conservation
 plan with ORC&D, investigating Waiahole area parcels
- Commercial Land Oahu: Working with Tenant Exits in Whitmore in preparation of DAGS infrastructure construction, working to complete Mililani Tech Park Parcel, working with HDOE on Centralized Kitchen parcel, DLE is developing costs for security moving forward
- Ag Land Kauai: Ordering No Trespassing & Ag Crime Reporting signs working with Hartung on change in farm plan, Annual Tenant Reviews in Progress, Working on A/R, addressing tenant outstanding violations, fielding calls from applicants regarding license status, working with Admin Committee regarding rates for new tenants, Master conservation plan for parcels
- Commercial Land Big Island: Working on rent appraisal for 2-acre Shipman Industrial Park land, and assessing potential sites for acquisition

• Distribution Services:

- Oahu: Working with SEO regarding Dept. of Energy grant opportunity, working with Waiahole Irrigation System short term equipment needs, updating inventory and long-term system maintenance; working on Wahiawa Irrigation System acquisition with DLNR and HDOE, waiting news on WATERSmart grant outcome
- Kauai: Working with DLNR on EKIS transfer, working with KAA and DHHL on Kokee System, KAA
 on Kekaha System, NPDES special counsel hired and working on cost estimates for compliance
 with draft permit, KAA Monthly Report is Attached- KAA President is available for questions

Business Development Highlights for the Month:

- Agribusiness: UHCDC on EPIC plan for Whitmore; HFBF For Farm Fair date of 7/11-13/2025, HPP Facility,
 EPIC center ideas on Big Island, Kauai and Maui
- Agritourism: Working with HTA on grant opportunities and possible study
- Aquaculture Industry: Working on Feed Mill Concept, and industry expansion
- Egg Industry: Working on possible Egg cracking facility location and business plan
- Institutional: Farm to School with HDOE
- Large Animal Industry: Feed Mill Concept
- Military: Pump Maintenance on Oahu, Defense Community Infrastructure Program Grant
- Small Animal Industry: Slaughterhouse on Oahu Business Plan
- Solar: PIG Developing Policies
- Subsidiaries: PIG Developing Policies

Legislative Briefing:

BED170 Budget Highlights:

- \$39M: Kauai Land Purchase of 1040 acres Central Kauai
- \$1.3M: Kauai Land Purchase West Kauai
- \$9.2M Oahu Infrastructure Improvements
- \$17M: Small Animal Processing & Storage Facility
- \$2M: Land acquisition for Small Animal Slaughterhouse
- \$22.076: Plans, design, construction for postharvest facility on Oahu
- \$350k: FPIN plans on neighbor islands
- \$6.275: Land acquisition for food processing facility
- \$2M: Irrigation infrastructure stabilization
- \$3M: Purchase of lands locked between state owned lands
- \$1.3M: Land acquisition in Kohala
- \$4M: Water reclamation for ag use

Annual Goals & Objectives Updates:

- Leadership:
 - o Dole Wells Acquisition: Land court documents emerged 4/10, due to close week of 4/21
 - o PIG Facilitation: Ongoing
 - ADC Agribusiness Development Plan: Now working with UHCDC with ETA of 6/15/25 Draft to BOD
- Staff Development:
 - o Staff Meetings: Ongoing
 - o Work Monitoring System: Ongoing
 - o Cross Training: Ongoing
 - Continuing Education: Ongoing, looking for specific skill-building classes for each staff member
 - Grant Writer Hired: With the help of Ulupono Initiative a Grant Writer was procured for the DCIP Grant, the WaterSmart Grant and the 4 Federal Community Grants
 - o Kauai Staff Positions: Interviews are complete for Kauai Property & Water manager; PDs are being updated to reflect true scope of work before offers are made
- Management:
 - o File Management System: Ongoing and the new system is operational
 - o Records Retention Policy: Ongoing and completed
 - Audit Issues: Audit was addressed & continue to work to improve SOPs and BMPs
 - Yardi System: System is working with land management & is still being evaluated for water management

• Board Relations:

- Weekly Reports: Ongoing
- o Board Packages: Ongoing
- o Major Project Schedule: GAANT chart is being used and currently evaluating several other platforms for implementation moving forward

• Personal Development:

- o Leadership Development: Ongoing
- Leadership Delegation: Ongoing, and in the past month realigned project oversight & responsibilities
- o Professional Growth: HIR 10-month Complete with Presentation & Ongoing
- O Public Image: Completed (Kauai wildfires, KHON, Civil Beat) Ongoing