

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



WENDY GADY
EXECUTIVE DIRECTOR

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

Notice of Annual Meeting of the Board of Directors

Held via Teleconference with In-Person Viewing Location

JUNE 26, 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/84414681693>
Telephone: (669) 900-6833, Webinar ID: 844 1468 1693
In-Person: at the meeting location indicated below

ICT ACCESS

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

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

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

TELEPHONE ACCESS

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

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

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

Board Meeting Agenda
June 26, 2025

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 interactive 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 in-person access information will be posted on the website no less than twenty-four hours prior to the continued meeting date. Alternatively, if a decision is made to terminate the meeting, the termination will be posted on the ADC website.

SPECIAL ASSISTANCE

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

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

NOTE: MATERIALS FOR THIS AGENDA WILL BE AVAILABLE FOR REVIEW IN THE ADC OFFICE, 235 S. BERETANIA STREET, SUITE 205, HONOLULU, HAWAII 96813 A MINIMUM OF 48 HOURS (WEEKENDS, 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, April 17, 2025
 - 2. Executive Session Minutes, December 5, 2024
- C. Chairperson's Report
- D. Committee & Permitted Interaction Group Reports
 - 1. Presentation of the report and findings of the Executive Director permitted interaction group. *The board may go into executive session to consider the evaluation of an officer or employee where consideration of matters affecting privacy will be involved, pursuant to section 92-5(a)(2), Hawaii Revised Statutes*
- E. Action Items
 - 1. Request for approval to renew Revocable Permit No. RP-PU-23-01, issued to Robert Rita Jr. dba Robert's Equipment Service, for 24 gross acres, more or less, of land in District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 6-5-001:056 (por.)
 - 2. Request for approval to issue a license agreement to the University of Hawaii for weather recording purposes in District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:001 (por.)
 - 3. Request for approval to refer License Agreement No. LI-GA1714 issued to A & N Farm LLLP to the Department of the Attorney General for possible legal action due to rent and water delinquency, District of Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-012:001 (por.)
 - 4. Request for approval to issue a new revocable permit to The Davey Tree Expert Company for 321.5 square feet of office space in Whitmore Village, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:004 (por.); and to terminate their current Revocable Permit No. RP-W257-23-01
 - 5. Request for approval to issue a new revocable permit to Davey Tree Surgery Company for 115.5 square feet of office space in Whitmore Village, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:004 (por.); and to terminate their current Revocable Permit No. RP-W257-23-02

6. Request for approval to issue a new license agreement to Hawaii Sustainable Agricultural Products LLC for fields PU-12 and PU-13 in Paalaa-uka, District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 6-4-004:006, :008
7. Request to consent to the cancellation of Transfer Certificate of Title No. 498504 and issuance of new Certificates of Title including for Lot 12019 as shown on Map 888 of Land Court Application 1069 in Honouliuli, City and County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 9-1-031:037; :026; :025; :001
8. Request for approval to issue a license agreement to Kauai Taro Company LLC for 88.02 gross acres, more or less, of Field 207 for agricultural use in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key (4) 1-2-002:001 (por.)
9. Request for approval to execute and enter a Memorandum of Agreement between the State of Hawaii Agribusiness Development Corporation and the Office of Hawaiian Affairs for water line purposes in District of Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-012:009 (por.)
10. Request for approval to issue a right-of-entry agreement to the State of Hawaii, Department of Agriculture for access to property for biosecurity facility due diligence purposes in District of Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-012:001 (por.)
11. Request for after-the-fact approval for a right-of-entry agreement to Hawaii Farm Bureau Federation for access to land in Whitmore Village, District of Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 7-1-001:005 (por.), (1) 7-1-002:037, (1) 7-1-002:041 (por.), (1) 7-1-002:044
12. Request to authorize the executive director to execute that certain Disposition Agreement between the Agribusiness Development Corporation, Hawaii Department of Agriculture, and Sustainable Hawaii, LLC for the acquisition of certain properties related to Wahiawa Irrigation System in Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 7-1-012-003; :004; :007; :014; (1) 7-1-001-013; :017; *The board may go into executive session to deliberate or make a decision upon a matter that requires the consideration of information that must be kept confidential pursuant to a state or federal law, or a court order., pursuant to section 92-5(a)(8), Hawaii Revised Statutes*
13. Election of the Chairperson and Vice-Chairperson of the Board of Directors of the Agribusiness Development Corporation for a one-year term, July 1, 2025 – June 30, 2026

F. Informational Items

1. Update by Agribusiness Development Corporation's legal counsel regarding revised draft National Pollutant Discharge Elimination System permit nos. HI-0021940 and HI-0021945. *The board may go into executive session to consult with the board's attorneys on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities, pursuant to section 92-5(a)(4), Hawaii Revised Statutes*
2. Update by Deputy Attorney General David Matsumiya regarding the Public First Law Center lawsuit. *The board may go into executive session to consult with the board's attorneys on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities, pursuant to section 92-5(a)(4), Hawaii Revised Statutes*
3. Executive Director's Report regarding prior weekly reports (click [here](#) to view prior weekly reports)

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.

AGRIBUSINESS DEVELOPMENT CORPORATION

Minutes of the Board of Directors Meeting held Virtually on April 17, 2025

Via Zoom Teleconference and/or In-Person at 235 S. Beretania St., Suite 204, 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, 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)
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)
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 9:08 a.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)
Lyle Roe, Asset Manager (Mr. Roe)
Ingrid Hisatake, Executive Secretary (Ms. Hisatake)

Guests Present, virtually:

ADC Guest
Allison Fraley (Ms. Fraley), County of Kauai
Andre Bisquera (Mr. Bisquera), Longroad Development Company, LLC
Britany Heyd (Ms. Heyd), Mana Up
Dane's notetaker
Dexter Kishida, Department of Transportation
Elena Bryant (Ms. Bryant), EarthJustice
Eric Minutella (Mr. Minutella)
Farm to Fudge Maui, Janice LaFontaine (Ms. LaFontaine)
Guest Guest
Hannah Valencia, University of Hawaii Community Design Center (UHCDC)
Joshua Uyehara (Mr. Uyehara), Kehaka Agriculture Association (KAA)
Karen Hanada (Ms. Hanada), UH Maui Food Innovation Center

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Kimi Makaiau (Ms. Makaiau), UHCDC
Kylie Wager Cruz (Ms. Cruz), EarthJustice
Len Gonzales (Mr. Gonzales)
Lyle's notetaker
Malachi Burrows
Meli James (Ms. James), Mana Up
Mike Faye (Mr. Faye), KAA
Scott Ishikawa, Becker Communications
Trish Yamada
UH Maui Food Innovation Center, McKenna Lickle (Ms. Lickle)
Wren

Guests Present, physical location:

None

A. Call to Order

Chair called the meeting to order at 9:03 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 none 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, and Member Watts acknowledged their presence with no one in the room with them. Member Wicker entered the meeting at 9:08 A.M.

Members were reminded to have their cameras turned on and remain on screen during the meeting, especially during the vote so the record will clearly reflect who was present at the time the vote was taken.

B. Approval of Minutes

1. Regular Session Minutes, March 3, 2025

Chair called for a Motion to Approve.

Motion by Member Kahahane; Second by Member Cooke.

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.

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Chair called for the vote. Hearing no objections or abstentions, the motion to approve the March 3, 2025 regular session minutes was unanimously approved: 10-0.

2. Regular Session Minutes, March 20, 2025

Chair called for a Motion to Approve.

Motion by Member Cooke; Second by Member Okimoto.

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 to approve the March 20, 2025 regular session minutes was unanimously approved: 10-0.

3. Executive Session Minutes, March 20, 2025

Chair stated that during the executive session held on March 20, 2025, the Board discussed agenda item F-2, an update by the Department of the Attorney General on the National Pollutant Discharge Elimination System permit for the Mana Plain on Kauai, and agenda item F-3, an update by the Department of the Attorney General on the lawsuit filed by Public First Law Center under Civil No. 24-0000050, First Circuit Court. HRS sections 92-4 and 92-5(a)(4) allow a meeting to be closed to 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. 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.

Member Wicker entered the meeting at 9:08 A.M.

Chair called for a Motion to Approve.

Motion by Member Okimoto; Second by Member Watts.

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 to approve the March 20, 2025 executive session minutes was unanimously approved: 11-0.

C. Chairperson's Report

1. None.

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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

Chair called on Member Watts for the report.

Member Watts thanked the Chair for creating the permitted interaction group so the Board could be transparent with the public. This was the Lieutenant Governor's Second Annual Hawaii USDA [United States Department of Agriculture] Policy Summit. Member Watts was chair of the group, Member Trump was vice-chair, and two ex officio members, Member Hurd and Member Wicker were the final two members of the group. All attended in their individual capacities and not as ADC Board members. Executive Director Ms. Gady represented ADC. Some of the key takeaways from the summit were strong interest in Hawaii by USDA, specifically biosecurity and market access and federal rural infrastructure goals. No Board business was conducted.

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 dissolved the Lieutenant Governor's Washington, D.C. trip permitted interaction group.

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

Chair called on Staff to provide the committee report and noted that no submittal was attached to the agenda.

Ms. Hisatake reported that Mr. Takemoto was unavailable to provide the summary right now.

Chair moved on to the next agenda item and would return to this matter when Mr. Takemoto was available.

3. Report on the standing Marketing & Communications Committee inaugural meeting held on April 8, 2025

Chair called on Member Watts to provide the report.

Member Watts remarked that he did not have a written report. The inaugural meeting was on April 8, 2025, he was elected chair and Member Cooke was elected vice-chair. The goals for the committee were to reengage with Becker Communications; increase public awareness of ADC's mission, projects and partners; improve communications with stakeholders and the general public; develop strategies in support of sustainable agriculture, food security, and land stewardship; and support marketing efforts such as value-add production or ag tourism. ADC should also participate in the State Farm Fair,

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Made in Hawaii Festival, and Hawaii on the Hill. And ensure marketing aligns with legal, cultural, and community standards.

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.

2. RETURN TO Presentation of the report and findings from the standing Administration Committee meeting held on March 28, 2025 regarding the Kauai Rent for new licensees

Chair recalled Mr. Takemoto to provide the committee report on the Kauai Rent for new licensees.

Mr. Takemoto reported that in the interest of saving time this informational report would be included in Action Item E-4.

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 withdrew this item, which would be covered in Agenda Item E-4.

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.)

Chair called for a motion to approve.

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

Chair called on Staff for the presentation.

Mr. Roe stated this is a continuation of operations for Kauai County's certified redemption center using a little less than a quarter acre in Kekaha. One change, instead of a contractual agreement with the county this will take the form of a license with rents coming to ADC, and KAA reserving the right to charge a common area infrastructure fee. Ms. Fraley from Kauai County is here to answer any questions.

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 added this operation was originally set up as a public service to provide the Kekaha community with a recycling location.

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Mr. Roe stated that before the rent was going to KAA, now the rent will go to ADC so we can capture the OHA and DHHL entitlements and allow KAA to assess their infrastructure fee

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

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

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**

Chair called for a motion to approve

Motion to approve by Member Wicker; Second by Member Watts.

Chair called on Staff for the presentation.

Mr. Roe said this request was for a right-of-entry for Longroad Development through several ADC properties. Exhibit A shows the properties outlined in yellow. The map with the sort of hash marks in red are properties that are already licensed. One property is Kelena Farms and the other is SJ Farms. The submittal contains the recommendations, which has a series of conditions requiring Longroad to coordinate with the licensee and it gives the licensee the final say on where, when, how, and how long they get access. The fields are planted so if Longroad damages any of the crops they have agreed to pay damages. Excessive damage would be grounds for termination of the right of entry. The term is one year. Mr. Bisquera from Longroad is here for questions.

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

Chair asked if there was any Board Discussion.

Member Hurd asked where the solar project would be developed.

Mr. Bisquera replied that Longroad had purchased land from Dole in Helemano by the military installation. The solar project would be located above Plantation Road. That is one parcel the project would be on. The area is currently used for ranching.

Member Hurd asked if the land was class A or B.

Mr. Roe clarified that the request is not to put solar on ADC land. Their request is for transmission lines from the solar site to grid connection points.

Mr. Bisquera said special use permits were required, and we have for another project on the island that's on Class B and C.

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

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.)**

Chair called for a motion to approve.

Motion to approve by Member Hurd; Second by Member Okimoto.

Chair called on Staff for the presentation.

Mr. Roe stated that ITC is a current land user. ITC had a previous agreement with KAA where ITC had use of the property while working on a project with KAA. The agreement expired and they have been paying month to month since then. ADC believed the arrangement was temporary, but ITC's property has been stored on site for some time. ITC has been paying KAA \$100 per month. This license will raise the fee to \$150 per month for base yard purposes. KAA can also collect common area maintenance fees. ITC primarily works with agriculture, which would fit within ADC's mission.

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

Mr. Faye stated that ITC has been very helpful in supporting ag and he noted that the property outline on the map on page 052 was in error. The part closest to the road shows some tanks that are not part of the base yard.

Chair asked if there was any Board Discussion.

Member Hong asked how the \$150 amount was decided and does ITC have an operational plan. Are the projects with ADC or just KAA. Is this an agricultural operation or a commercial operation where commercial rates should apply.

Mr. Roe responded that commercial rates for Kekaha have not been approved yet. ADC bumped up the rate to \$150 in the absence of an approved commercial rate. The term is five years.

Member Hong stated it was a short-term license but there's a commercial element to the property. It's a typical base yard and the market rate is higher than \$150.

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

Chair called for the vote. Member Hong objected.

Chair conducted a roll call vote:

Chair:	Yes.
Member Cooke:	No.

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Member Hong:	No.
Member Hurd:	Yes.
Member Kahahane:	Yes.
Member Okimoto:	Yes.
Member Okuhama:	Yes, with a comment that a commercial rate does not fit in with diversified agriculture. It's either pasture or diversified ag. We haven't done an analysis for an exception of commercial on ag land.
Member Seddon:	No.
Member Trump:	No.
Member Watts:	No.
Member Wicker:	No.

Chair announced that the motion failed. Vote: 5 yes and 6 no. The matter will be sent to the Administration Committee to establish a fair and reasonable commercial rate for all ADC property, not just Kekaha.

Member Hurd commented that the legislature established a third category of land lease for the Hawaii Department of Agriculture (HDOA) several years ago called agricultural enterprise. HDOA is currently in the rule making process to include that third land lease category.

Member Watts asked if it was appropriate for him to comment on a pending matter before the Board, which links to this question. Would it be appropriate to go into executive session?

Ms. Prescott-Tate asked if the comment involves the business entity that is the subject of this agenda item.

Member Watts replied no but it's relevant to the discussion.

Ms. Prescott-Tate clarified that the question under discussion was whether to give ITC a five-year license, yes or no. If it's something other than that, it would be better to address any comments to the Administration Committee.

Member Watts agreed that it would be appropriate.

4. Request to accept and approve the recommendations of the Administration Committee regarding the Kauai Rent Rates for new licensees

Chair took agenda item E-5 out of order and would return to E-4 afterwards.

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

Chair called for a motion to approve.

Motion to approve by Member Okuhama; Second by Member Cooke.

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Chair called on Staff for the presentation.

Mr. Roe stated that ADC was looking to acquire the East Kauai Irrigation System (EKIS). During the 2024 legislative session ADC received funding for a manager and three water workers for the EKIS water system. Staff asked the Board to approve ADC's request for DLNR and the Governor's office to set aside the EKIS to ADC via Executive Order. This is the Board's opportunity to weigh in on this proposition. The map was omitted from the submittal package. Mr. Roe shared his screen so the Board could understand the extent of the system. This map is from the HDOA feasibility study. The Wailua reservoir that would come over to ADC. The reservoir draws water from two areas. The storm portion here, which is currently inactive and the Kapaa stream intake, which feeds the upper Kapahi reservoir. The Wailua reservoir currently serves two entities; one is an ADC tenant. ADC seeks to reactivate this storm intake and pull a line from the reservoir and use those two portions of the system to provide irrigation to the upper portions of our Kalepa property, which would potentially convert some of the ranching properties into agricultural lands. Portions of the land are overgrown and need to be cleaned and rehabilitated. There are some areas where piping needs to be installed because of earthen tunnels that keep collapsing. This area in lower Kalepa, ADC currently has some diversified ag tenants that receive water through this portion of the Hanamalu ditch. ADC needs to obtain some piping and pipe those portions that go under the tunnel so the system is reliable.

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 the submittal noted the legislature appropriated \$500,000 to ADC to acquire, manage, and rehabilitate the system. That does not appear to be enough. Does ADC have an idea what the capital costs would be to rehabilitate the system and the reservoirs? Water storage will be important.

Mr. Roe said the Upper Kapahi Reservoir and Wailua reservoir are in good shape. They both had work done recently and are in pretty good condition. ADC would be taking on some liability. ADC will be hiring some workers to manage that. The \$500,000 was startup costs. ADC was procuring things like vehicles, startup equipment for the workers to be able to do their job safely. The bigger question would be the cost to rehabilitate the entire system. The HDOA feasibility assessment was believed to be approximately \$30 million to restore the system back to its glory days. ADC will decide what portions to reactivate and rehabilitate to serve the needs of ADC's tenants and other agricultural entities in the area when the funds become available.

Ms. Gady stated that some of the costs have been annotated in ADC's five-year CIP [Capital Improvement Project] plan. ADC sought to step in because DLNR was going to decommission the entire system, which would impact ADC's Kalepa lands and would also deprive DHHL lands of water. This system provides water for food generating farmers.

Member Watts asked what state agencies have users on this system.

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Mr. Roe replied DLNR, DHHL, the Fern Grotto, and ADC tenants.

Member Cooke asked what percentage of the Kalepa lands receive irrigation now.

Mr. Roe responded not much. The amount will not be increased until piping and reactivation of the system begins, connecting the Wailua reservoir, then combining those two systems and essentially creating a pipeline from the top of the property straight down through with stub outs to the various units.

Member Cooke asked what percentage of water would be supplied after the rehabilitation was completed.

Mr. Roe replied, one hundred percent of the arable lands. But there are still some issues regarding water rights.

Ms. Prescott-Tate noted that a member of the public wished to give testimony.

Ms. Bryant stated that she was not familiar with the farmers mentioned but was very supportive of ensuring that DHHL and food farmers have consistent and regular access to freshwater resources. But she expressed concerns with ADC taking over this system given all the difficulties ADC has managing the system in West Kauai, the Kekaha and Kokee ditch irrigation systems. There's been a lot of trouble getting things managed appropriately and in a timely fashion. She asked for caution in this big undertaking.

Chair asked if there was any further public testimony. There was none.

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.

4. RETURN TO Request to accept and approve the recommendations of the Administration Committee regarding the Kauai Rent Rates for new licensees

Chair returned to agenda item E-4 and called for a motion to approve.

Motion to approve by Member Cooke; Second by Member Hong.

Chair called on Staff for the presentation.

Mr. Takemoto explained that at the March 28th, 2025 Administrative Committee meeting the Committee recommended a Kauai license fee rate of \$235 an acre a year for Kekaha lands. The diversified agriculture rate for Kalepa was \$200 an acre a year, and the Kalepa pasture rate was \$50 an acre a year. The Committee did not make a recommendation for the CAM [common area maintenance] because the Committee was unable to ascertain the scope of work included in the CAM fees. The Administration Committee requested that Staff obtain audited financial records related to KAA and Kalepa Coalition's CAM assessments so the Committee can better understand the scope of work and costs

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involved. The request was for the Board to approve the recommendation of the Administration Committee for the rental rates.

Chair asked if there was any public testimony.

Mr. Uyehara, from KAA, testified that unfortunately he was unable to attend the Admin committee meeting but through discussions with ADC Staff he discovered material issues with the appraisal. He confirmed that the appraisal was based solely on the Kekaha lands, so the appraisal was based on incorrect data. For example, the report stated that there was \$2.7 million in CAM expenses spent over a five-year period. In fact, the actual CAM spent over the last 5 to 6 years was closer to \$1.4 million per year. The appraiser also incorrectly calculated, based on 6,278 acres on their license, but about half of those acres are untillable lands. There are structural inaccuracies in the calculation. Perhaps the appraiser didn't understand the data, or he was given the wrong data. But those are some of the most significant issues in the calculations from the appraiser.

Chair asked Mr. Uyehara if he had reviewed the rent table in the submittal. The committee made license fee recommendations, not CAM.

Mr. Uyehara replied yes, he did look at the table, but he has issues with the CAM and the rent. The numbers are grossly incorrect. The other issue the Board should understand is that the Admin Committee's recommendation for CAM isn't binding because the right to set the CAM was given to KAA by the Restated and Amended Memorandum of Agreement (RMOA) between KAA and ADC. CAM was the cost to operate the property. You have to understand that number as a reflection of the current CAM, and not a number the ADC Board dictates to KAA, unless we revise the terms of the RMOA. To set the CAM we review operational costs and anticipated operational costs, we look at tenancy on the property, and that's how the CAM's set every year. KAA tries to keep the number as stable as possible and not cause major unexpected increases. CAM covers all our operations because we run the operational maintenance program for the property entirely from the CAM fees. KAA doesn't receive any funding from ADC or the State for regular operations.

Ms. Gady clarified that the Board was not taking action on the CAM. The CAM amount from the appraisal was provided for the Board's information. The Board does not have authority over the CAM. The Board only has authority over the license fees and these lands are ceded lands. The revenue will be shared with OHA and DHHL.

Chair asked to please refocus the discussion on the license rates.

Mr. Takemoto clarified that at the Admin committee meeting it was clear that ADC did not charge the CAM. The costs provided to the appraiser were ADC's costs, not KAA's costs. Because of the lack of information on the CAM assessment, the Admin committee made a request to staff to provide audited financial records from KAA and Kalepa to determine what the actual costs and scope of work that KAA and Kalepa Coalition perform, so they understand what's involved.

Member Hong reiterated that this request is to set the license fee going forward. New license fees only, not the existing license fees, and not the CAM.

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Member Cooke mentioned that these license fee increases may be revisited. This isn't necessarily a permanent number for the license fees.

Member Trump said it looks like there's a great discrepancy from the appraisal and the recommendations. I don't disagree with the recommendations from the Admin Committee. I think they're more realistic. Could the Admin Committee comment on why the appraisal license fee number was so high.

Mr. Takemoto said the appraiser checks what the current rent rates are from many of the larger landowners and what they charge. What are the rents they charge? Then they come up with a comparable. It's based off of existing rents currently being charged.

Chair stated that some East Kauai licensees did call in and participate with the Admin Committee and these rates on East Kauai were agreed upon after discussion with the current licensees. They felt the amount was acceptable compared to other lands, being leased from other entities in the vicinity.

Member Cooke recalled that the Kalepa lands had very little vacancies. Is that right?

Ms. Gady said out of 6,000 acres there's only about 165 acres that remain. We're 97% leased. Kalepa is a highly desirable location.

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.

F. Informational Items

The following items are for discussion only so there will be no need for a motion or vote on these matters.

1. Update regarding the status of the 2022 land awardees farm development progress

Chair deferred this agenda item until the next meeting.

2. Presentation by Kimi Makaiau with the University of Hawaii, Community Design Center of the draft report for the Product Innovation Network

Chair called on Ms. Makaiau for the presentation.

Ms. Makaiau stated she was a senior research associate at the UHDC and last year we contracted to help the Hawaii Food and Product Innovation network (FPIN). UHDC is a design center housed at the Manoa School of Architecture, established as a teaching practice. We operate at the intersection of government, research, education, and community. Our projects are led by faculty and staff across different departments. We are supported by both undergraduate and graduate students. We provide proof of concept services to public agencies and nonprofit organizations by assessing the feasibility of public interest projects. We gather community and stakeholder input, and we synthesize

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that to preliminary designs and costs for decision makers. In 2024, the Hawaii State legislature provided for the establishment of FPINs. This included the development of manufacturing facilities, to enable businesses to conduct research and development (R&D) and access technical expertise to scale up production. It allows them to utilize commercial services. The Wahiawa value-added product development center is located on land owned by ADC. It's a 33,000 square foot educational facility focused on R&D operated by Leeward Community College. It will soon connect to another ADC initiative via a pedestrian bridge being built by the DOT [Department of Transportation]. The bridge and pathway lead to the Central Oahu Ag and food hub. Planning for this food hub began about 10 years ago. The master plan includes production, high-tech greenhouses, high pressure processing, and DOE [Department of Education] is developing a regional kitchen. There's one industrial parcel in Kauai and one in East Hawaii. We have two primary educational R&D facilities. Two additional pilot scale processing facilities are currently being planned. The inaugural facility was going to be located at the Central Oahu. There's a food hub in Kahului. We recognize it's going to take more than just buildings and infrastructure to create a long-lasting and resilient ag sector. It's going to require an education pathway, more R&D facilities like the Maui Food Innovation Center (MFIC), expanding to Kauai and Hawaii Island community colleges, and scale processing facilities. One barrier to small and medium-sized businesses is a lack of contract manufacturing. The parcel in Mililani Tech park could fill this void. Implementing this plan is aimed at improving our overall long-term food security and ag resiliency by shifting from an import economy to a more circular economy. More information is available at engagehawaii.org. There are some producers and stakeholders who will be testifying.

Mr. Minutella stated that he is the co-founder of a product and lifestyle brand called Sun Moon Maui, created in partnership with MFIC. Sun Moon as a Hawaii based business. The core product line is derived from citrus, lemon, limes, and oranges and we are focused on being a sustainable and regenerative operation. We are launching a fresh citrus juice that will be distributed locally to businesses on Maui. We're growing quickly. Our goal is to be inclusive of small and large independent farmers on all islands. We will help these farmers prosper through product development from fresh juice, citrus liqueur, salad dressing, and baked goods, all derived from citrus. Our relationship with MFIC is critical to our R&D efforts. We have a very aggressive timeline for growth and servicing these businesses that embrace these locally grown and manufactured products. This is achievable for us, and we look forward to being mutually beneficial to the community, Maui, and Hawaii.

Ms. LaFontaine stated that she is the CEO and founder of Farm to Fudge Maui, a locally and organically sourced dark chocolate coconut Vegan fudge using nutrient rich ingredients for a cleaner and healthy indulgence. She is a functional nutritionist who is big on supporting local farmers practicing organic, sustainable regenerative practices. She is a graduate of the MFIC program, current user of the MFIC facilities, and a recent cohort member of Mana Up. To grow our product, we need facilities beyond the R&D phase of what MFIC offers. For chocolate production you need a temperature-controlled space. It's hotter inside some commercial kitchens than outside. There are many food entrepreneurs where the determining factors to where they go next. We definitely need a larger space. The MFIC program is the reason why I was able to launch my food product. Now we just need a place to be able to scale and grow.

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Mr. Gonzales is the founder and chocolatier of Galleon Chocolate, a Maui based company making innovative chocolates inspired by Filipino flavors. My experiences growing a business on Maui, we all know that rent and real estate costs are high. Small food businesses like mine, at least in commercial kitchens and buying storefronts are almost financially impossible. Having a shared food production hub allows more entrepreneurs to enter the market without being priced out before they even begin. The permitting process for kitchen expansion is slow, fragmented, and difficult to navigate. We've been trying to get a permit to expand our kitchen for three years. Having this facility eliminates the burden of getting a facility up and running. Scaling is nearly impossible without proper tools. The ability to expand your kitchen cold storage, and use industrial machines allows fast scale up. And, often competitive markets like the tourist industry cause lost jobs. If this facility is built, instead of putting money into machinery and equipment, we could potentially offer higher paying jobs. We have the resources, the land provides vital ingredients, so having this food hub will allow us to focus on building great products to keep money circulating in our economy.

Ms. Lickle, from the UH MFIC, stated she is the program manager for MFIC. She just wanted to reiterate that Maui has entrepreneurs that we want to facilitate their growth, but the facility is small. She wanted to encourage the creation of sustainable food systems and sustainable packaging for food production.

Ms. Hanada is the administrator of MFIC and testified in support of the next level of a food manufacturing facility on Maui. MFIC is the incubator for many food startups by providing specialized training and access to R&D facilities. Due to a shortage of food manufacturing space on Maui, there is a great need for more infrastructure, so our startup entrepreneurs have a place to grow and scale. As you've seen today, we have many entrepreneurs who testified, and others submitted written testimony. They need a place to recover economically from covid and the wildfires. And to improve our state's food security. Please support the advancement of the product innovation network.

Member Watts said there was no doubt more space was needed for graduates of MFIC, and the next presentation was from Mana Up, but he had not heard anything about a site selection. Is there a proposed site and what is ADC's role in this project.

Ms. Gady replied that ADC's involvement was being legislatively driven, and no site has been selected.

Member Wicker said that the legislators from Maui were looking at taking over a facility for manufacturing. ADC's role will be in Phase 2, for commercialization of what's coming out of the education and R&D facilities. They need the next space to commercialize and test the market to see if there's a demand for the product. There is a similar structure of R&D to commercialization to export in New Zealand.

Member Watts asked if the purchase was already budgeted.

Member Wicker responded that the purchase would be under the department of accounting and general services for plan and design.

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3. Presentation by Joshua Uyehara of the Kekaha Agriculture Association regarding the draft National Pollutant Discharge Elimination System (NPDES) permit for the Mana Plain in Kekaha, District of Waimea, County of Kauai, State of Hawaii

Member Trump exited the meeting at 10:39 A.M.

Chair called on Mr. Uyehara for the presentation.

Mr. Uyehara stated that he was asked to provide a briefing to the Board.

Ms. Gady said she asked Mr. Uyehara to give a presentation that might lead to a discussion regarding strategy that may require executive session.

Mr. Uyehara said, yes, given that this pertains to ongoing legal proceedings and given KAA's relationship as a contractor for ADC to manage the infrastructure, there may be a basis for confidential discussions. Mr. Uyehara shared his screen to familiarize everyone with the scope of the watershed that's relevant to the draft NPDES permits under discussion. The ephemeral streams that are captured into this drainage area were outlined. On the extreme southeast corner is the Kauai County 400 property. In the early 2,000's this property was physically disconnected from the rest of the ADC property, and the drainage canal system. The disconnection was driven by unplanned accidental discharges from the wastewater treatment plant getting into the drainage canal system. This canal is attached to the Waimea 400 property, and this is the canal on Knudson's property, but then it becomes ADC property here. You can see by the difference in water quality. These things are not hydrologically connected. Then you have these other areas we call ravine drains. These sort of red lines with the arrows. You have a main canal and transfer ditches that connect all those ravine drains. It is possible to drain the entire area out of a single low point at the pump station. The outfalls for each ravine drain are possible to open. They open naturally during heavy rains and flash flood conditions. In some cases, you could not stop it from flowing directly to the ocean. That's sort of an overview of what the system looks like physically. When you look at the outfalls that are addressed by the draft permit they range from this end of the property to this end of the property. With this property in mind, one of the main issues we see with the draft permit is it joins the County with ADC. That doesn't make sense, hydrologically, because the systems are disconnected from each other. From a legal perspective that makes both entities jointly responsible for each other. That is the structure of the permit. Also, agricultural uses are broadly exempt. There are no confined animal feeding operations that require NPDES permitting. The water quality parameters and the sample requirements are not feasible. The volume of discharge from the outfalls that are allowed under the draft permit, in many cases, they seem to have been formulated without any review of the historical data. There's a certain amount of discharge that's required because of groundwater infiltration, to keep the area from being flooded. The draft permit sets limits far below the minimum average daily basis, as historically needed to keep the system operable and to prevent flood risk. HDOH promulgated Administrative Rules to cover nonpoint source situations, and to address large agricultural land areas in late 2021. That approach can be taken today and should be revisited in the context of these NPDES permits. Going back to the geographic layout of the system, each outfall is materially different. The system spans a significant range of the coastline up-stream of each of those outfalls are very different conditions. Some outfalls that pass through the center of the town affect and deal with all the issues related to the town. And then you've

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got the outfall at Nohili that just has conservation and Ag land upstream. That system can be physically segmented in a way that ensures that issues related to certain outfalls are no longer pertinent to other outfalls. That was the fundamental strategy behind separating the Waimea 400 area originally, just to ensure that the accidental or unplanned discharges from the wastewater treatment plant didn't become a problem for the entire system. One thing KAA would advocate is looking at generalizing that strategy for the rest of the property. In many cases the operational convenience of having everything connected is far outweighed by the legal ramifications of leaving it the way it is. Steps could be taken to sort of box in the major issues, to at least limit them to certain areas.

Member Okuhama exited the meeting at 10:49 A.M.

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

Ms. Cruz from EarthJustice who represented Na Kia'i Kai and Surfrider Foundation in the litigation that led to this NPDES Permit that Mr. Uyehara was presenting on took issue with number 2, 3, 4, and 5 of Mr. Uyehara's presentation. These are the issues we've already won in court. Essentially, what we have here is a man-made drainage ditch system on the Mana plain that was built in the sugar plantation era. These are all unlined ditches that drain a host of agricultural and industrial sources of pollution into the ocean. If those ditches were not in place, then what was there before was a thriving wetland ecosystem that would have filtered and slowed the flow to the ocean from all the streams that were shown on Mr. Uyehara's map. This is the heart of our case. If you create a point source, which is the ditches in this case, and discharge to the ocean, then that discharge needs to be covered under an NPDES permit. Mr. Uyehara proposes that because there are streams going down into the ditches no permit is required. But the court already rejected that view in the lawsuit. We take serious issue with the representations regarding issues 2, 3, 4 and 5 that Mr. Uyehara presented, because those views are legally invalid under the case that we've already won. And I don't see a basis for going into executive session to discuss this matter with KAA, since KAA and ADC are separate entities. KAA requested its own contested case hearing in the permitting matter so any discussions with KAA should happen before the public.

Chair asked if there was any further public testimony. There was none.

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

Chair asked if the Board wanted to move into executive session to speak with the Board's attorney. There was no request to move into executive session.

Chair asked if there were any more questions for Mr. Uyehara. There was none.

Chair moved on to Informational Item 4.

3. Mana Up Informational Brief by Meli James

Chair called on Ms. James to give the Mana Up presentation.

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Ms. James said she is the co-founder of Mana Up, which is connected to many of the folks that testified today. Mana Up works closely with UHCDRC folks and entrepreneurs with value-add products, manufacturing, and agriculture. Ms. Hyde and Ms. James started Mana Up about eight years ago, as an economic development initiative to help grow our local product industry. Our program focuses on companies who are creating products for export, on scaling, getting these companies to the next level to create more jobs and grow more revenue in the State. We have a high focus on food companies. We've had ninety-five companies come through the program. All are headquartered here, and a nice percentage of folks make their products here, as well as sourcing raw ingredients. This is an economic development initiative. On average, the ninety-five companies who've come through our program are averaging \$1.1 million in revenue and growing at a rate of 33%. We've represented 1,100 jobs as well. This is a statewide initiative. The accelerator program is for six months. We work on helping solve business challenges for the companies, whether that be packaging, branding, narrative, finance, sourcing, and all the things in between. We help them learn what their challenges are and help them solve them through mentorship resources and access to capital. Our later stage programming is for companies over a million plus in revenue. How do we help them get to \$10 million? Many of the folks that presented today are part of that process. These companies are looking to manufacture here and grow and increase exports. A lot of that's around capacity building; brand building; growing awareness of the amazing quality products we have here in the State. We also have our store and retail initiative. LA, Tokyo, and New York are hosting Aloha Markets, which have been record breaking. People are lining up to purchase products from Hawaii. Value add companies are gaining momentum. Companies are looking to source more ingredients here. Family farms are very important as well. We know firsthand what the challenges are and we're able to help. We've got 105 companies coming up. We've got some great partnerships as well as growing our resources. We're creating a stronger Hawaii and we're very aligned with the work that ADC is doing.

Ms. Gady noted that Mana Up can do things that ADC cannot. I think MFIC shows there are a vast number of food entrepreneurs waiting in the wings. These folks need help to scale up. That's where ADC comes in.

Chair asked if there was any more public testimony. There was none.

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

Member Wicker left the meeting at 10:58 A.M.

Chair stated that as a former sugar guy he would like to see a little cottage industry for sugar.

Ms. James replied that sugar cane was being grown for rum production.

Chair said that was exciting and will help the economic growth of our farming community.

Member Seddon left the meeting at 11:00 A.M.

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5. Executive Director's Report

Chair called on Ms. Gady for her Executive Director's report.

Ms. Gady reported that the Dole Well purchase was finalized, and it looks like we are going to close next week. It was humbling to be able to go meet with the Congressional delegation with some of the Board members as well as the individuals from Strategies 360. She asked the Board members to look at those CIP items that are in House Bill 300 to see what the entrepreneurs are asking for. A lot of the line items that are in our budget were line items that industry has requested from ADC such as the small animal slaughterhouse, and the pre-processing, post-processing facilities. The HPP RFP [high pressure processing machine request for proposals] was awarded last Friday. Mr. Nakamoto and I traveled to Los Angeles to see a seven HPP machine installation where they were making applesauce in packets that you see kids screw the cap off. And another one that bottled drinks that had different components and electrolytes in it. Another major milestone was awarding the contract for subdivision of the Whitmore Food Hub. We'll start to have those maps. And congratulation to Member Okimoto and Member Trump who were confirmed by the Senate, and they are now officially part of the Board.

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

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

G. Adjourn

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

Motion to adjourn: Member Okuhama; Second by Member Cooke.

Chair called for the vote. Hearing no objections or abstentions the motion was approved: 6-0 (Chair, Member Cooke, Member Hurd, Member Kahahane, Member Okimoto, and Member Watts were present for the vote).

The meeting was adjourned at 11:13 A.M.

June 9, 2025

TO: ADC Board of Directors

FROM: The Permitted Interaction Group created March 20, 2025 to Conduct the Executive Director's Annual Evaluation covering July 1, 2024 to June 30, 2025, and Create Goals and Performance Measures for July 1, 2025 to June 30, 2026, as required by section 163D-3(e)-(f), Hawaii Revised Statutes

Re: Report on Executive Director's Evaluation; recommendation on retention of the Executive Director for fiscal year 2026; Executive Director salary recommendation for fiscal year 2026; and Executive Director goals and performance measures for fiscal year 2026

Contents of Report:

Pages 1-2: 1 - ADC ED Evaluation Overview Report Final 5-2025

Pages 3-8 1a - ADC ED Evaluation Final Okuhama 5-2025

Pages 9-14 1b - ADC ED Evaluation Final Tabata 5-2025

Pages 15-20 1c - ADC ED Evaluation Final Wicker 5-2025

Pages 21-26 2 - ADC ED Staff Evaluation Compilation Final 5-2025

Pages 27-28 2a - ADC ED Staff Survey Compilation (2-staff) 5-2025

Pages 29-32 3 - Wendy Gady Self Evaluation Memo 5-16-2025

Pages 33-38 ADC ED SMART GOALS FY 2026 FINAL 6-2-2025

THIS REPORT IS FOR USE AT THE JUNE 19, 2025 BOARD MEETING.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

Agribusiness Development Corporation (ADC)

Executive Director Annual Evaluation Report

Date: May 02, 2025

Submitted by: Evaluation Committee – Permitted Interaction Group

I. Introduction

Pursuant to the requirements for annual performance reviews, the Evaluation Committee (Permitted Interaction Group) conducted a performance evaluation of ADC Executive Director Wendy Gady covering the 2024–2025 fiscal year. This review reflects individual assessments from Board members Lyle Tabata, Jason Okuhama, and Dane Wicker using the adopted evaluation framework. This report summarizes the findings, identifies strengths and areas for improvement, and provides a final recommendation regarding retention and salary adjustment.

II. Summary of Evaluation Scores

Overall Performance Score Average: 2.97

Overall Success Assessment Average: 2.89

Performance ratings are based on a 5-point scale: 5 = Outstanding; 4 = Exceeds Expectations; 3 = Fully Capable; 2 = Needs Improvement; 1 = Unsatisfactory

III. Key Strengths

- External Engagement & Visibility: Demonstrated strong outreach and stakeholder presence.
- Progress on Inherited Projects: Completed Dole Wells acquisition and addressed key operational issues.
- Commitment to Mission: Continued advancement of ADC's mission despite structural limitations.

IV. Key Areas for Improvement

- Strategic Planning: A comprehensive strategic plan remains pending.
- Internal Systems: Need for staff development, cross-training, and structured evaluations.
- Delegation: Lack of formal delegation structure, particularly during legislative session periods.
- Communication with Board: Inconsistent timeliness and completeness of board packages.

- **Credibility and Accountability:** Need for accurate communications and ownership of agency decisions.

V. Evaluation Committee Recommendation

- **Retention:** Recommend retention, with clear performance improvement conditions.
The Executive Director has demonstrated capability in advancing ADC's visibility and addressing key inherited projects. However, significant improvements are needed in strategic planning, staff leadership, communication, and internal systems.
- **Salary Adjustment:** Do not recommend a salary increase at this time. Current performance reflects a "Fully Capable" to "Needs Improvement" range. A salary adjustment should be contingent upon meeting clearly defined performance benchmarks.

VI. Recommended Performance Benchmarks (FY 2025–2026)

1. **Strategic Plan Submission** – Deliver a comprehensive ADC strategic plan by Q1 FY25–26.
2. **Internal Systems** – Implement formal staff evaluation and cross-training systems.
3. **Staff Development** – Improve retention and define a clear organizational chart with delegated responsibilities.
4. **Board Communication** – Improve timeliness and completeness of board packages and major project updates.
5. **Credibility & Ownership** – Ensure communications are accurate, vetted, and coordinated internally before release.

These benchmarks will serve as measurable indicators for future evaluations.

VII. Attachments

1. Evaluation Form – Lyle Tabata
2. Evaluation Form – Jason Okuhama
3. Evaluation Form – Dane Wicker

**Agribusiness Development Corporation ("ADC")
Executive Director's Annual Performance Review**

FYE June 2025 – Jason Okuhama

Overall Performance Score Average: **3.14 Average**

Overall Success Assessment Average: **2.83 Average**

Performance Definitions:

5 = Outstanding; 4 = Significantly Exceeds Expectations; 3 = Fully Capable; 2 = Needs Improvement; 1 = Unsatisfactory

1. LEADERSHIP, ADMINISTRATION, MANAGEMENT: - 3.29 Average

Plan, organize, coordinate, and direct daily operations. Lead with clear communication, transparency, and commitment to ADC's mission. Develop short and long-term strategic plans in collaboration with the Board. Implement Board-approved goals and objectives. Oversee daily operations, manage unforeseen work issues, and make timely decisions. Anticipate emerging needs and promote adaptability. Develop and execute budgets, oversee procurement, ensure compliance with laws and regulations, and manage risks.

Performance Factor	Performance From 5 to 1	Comments
Leadership Skills	3	ED's external leadership skills appear capable however internal leadership needs improvements
Strategic Planning (Short & Long-term)	3	Waiting on OPSD & UHCDC for plan; ED needs to work and focus within what is being dictated by external factors
Implementation of Goals and Objectives	3	2024-2025 Board goals & objectives not provided to ED until February 2025; needs to work and focus on projects existing projects and responsibilities
Oversight of Daily Operations & Organization of Work	3	Needs to delegate more mgmt responsibilities to assistant especially during legislative session; staff flow chart requires assistant to ED
Problem Solving & Decision Making	3	ED seems to address problems quickly and makes sound decisions; will defer to AG when necessary; attempts to take on too many projects
Anticipation of Needs, Changing Conditions & Environment	3	ED quickly learning & improving on the changing environment especially with legislature, politicians on all islands, and community groups.
Budgeting & Economic Management	3.5	Budget is dictated by legislative funding or non-funding, and DBEDT. Board needs to work closer and provide input to ED on proposed budgets
Compliance	3.0	ED works closely with AG's office to maintain compliance and keeps Board

		advised of compliance issues.
Risk (Liability) Management	3	ED works closely with AG's office to minimize risk exposure and seeks Board input
Dole Wells Acquisition: Progress on securing acquisition documents and funding by Q4 FY 2024/2025.	5	Appears that Dole Well acquisition has been completed
PIG Facilitation: Effectiveness in facilitating Permitted Interaction Group (PIG) meetings and submitting timely progress reports.	4	Appears that PIG meetings are scheduled once established and follows strict time frames
Strategic Infrastructure Planning: Development and implementation of a five-year strategic infrastructure improvement plan by Q2 FY26.	3	This requires qualified staff to navigate and is dependent on funding by Legislature. Waiting on OPSD & UH CDC for strategic plan; input from Dane

2. STAFF DEVELOPMENT: - 2.71 Average

Foster a high-performance team through mentorship, coaching, and promoting personal growth opportunities. Encourage decision-making and foster a positive organizational culture. Maintain open communications with staff, establish evaluations and reviews, create a positive workplace environment, and work to retain staff.

Performance Factor	Performance From 5 to 1	Comments
Staff Development & Performance	3	Needs to improve on Staff development at all levels
System for Evaluations	2.5	Needs to create system to monitor staff's work, performance, & evaluations
Culture of Collaboration, Accountability, and Inclusivity	3.5	ED appears to be inclusive and collaborates with Staff; holds staff gatherings; and accountability
Staff Retention	2.5	Both Accountant Staff left ADC; needs to improve on staff retention; seek Board/DBEDT input if retention is an issue
Staff Meetings: Conduct a minimum of 26 bi-weekly staff meetings within FY 2024/2025.	3.5	Staff meetings are held weekly with no negative comments from Staff
Cross-Training & Continuing Education: Ensure 80% of staff complete cross-training sessions and 75% participate in continuing education by FY end.	2	Need system to monitor continuing education and staff cross-training
Grant Writer Hiring: Successful hiring of a qualified grant writer by Q4 FY 2024/2025.	2	Grant Writer not hired; Staff assigned grant writing responsibilities to Staff, DBEDT and 3 rd party

3. MANAGEMENT – 3.5 Average

Enhance administrative and operational efficiency through effective management systems and compliance practices.

Performance Factor	Performance From 5 to 1	Comments
File Management System: Implementation and operational effectiveness of electronic/physical file storage by Q3 FY 2024/2025.	3	File management systems are being implemented; not sure of current status
Records Retention Policy: Development and adherence to ADC-specific records retention policies by Q2 FY 2024/2025.	3.5	Physical records have been reorganized; not sure of current status
Audit Compliance: Addressing 100% of outstanding audit findings by June 30, 2025.	4.0	Major audit issues have been addressed but not 100% completed; needs more Staff time to address

4. BOARD RELATIONS – 3.5 Average

Maintain open communication with the Board, provide timely and comprehensive reports, and support informed decision-making.

Performance Factor	Performance From 5 to 1	Comments
Weekly Reports: Timely submission and uploading of Executive Director Weekly Reports within 48 hours.	4.5	Weekly ED reports are timely except when traveling and during session
Board Packages: Distribution of comprehensive board packages at least five business days before meetings.	3	Timely distribution of Board Packages needs improvement
Major Project Schedule Updates: Quarterly updates to the CIP Major Project Schedule.	3	Major project schedule updates are provided; improve on updated project details to Board

5. PERSONAL DEVELOPMENT – 2.83 Average

Commit to professional growth, effective delegation, and enhancing ADC's public image.

Performance Factor	Performance From 5 to 1	Comments
Delegation & Leadership Development: Bi-monthly check-ins with the Board Chair to assess progress.	3	ED needs to delegate more leadership responsibility to "unofficial" Assistant ED; position needs to be below ED on ADC Organization Chart and above other positions
Professional Growth: Completion of at least two professional development courses annually.	3	Need system to monitor annual development courses; report to Board Chair

Public Image & Media Engagement: Issuance of at least three public relations statements or media engagements annually.	2.5	Previous PR did not meet expectations and contract was not renewed; Need to monitor new PR company's performance
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6. INTER-GOVERNMENTAL AND COMMUNITY RELATIONS – 3.0 Average

Establish positive relations with government agencies, private and non-profit sectors, and the community at large.

Performance Factor	Performance From 5 to 1	Comments
Oral Communication	4	Excellent oral communication skills to Board and slightly lower Staff reviews
Written Communication	3.5	Excellent written communication skills to Board and lower Staff reviews
Coordination/Collaboration	3.5	Seems to handle the scale of ADC workload requiring strong coordination and collaboration skills with Staff, legislature, and community organizations
Credibility	2	Good feedback from Ag community and organizations; ED instills feelings of strong support of agriculture; needs to improve credibility with major stakeholders and take ownership as ED of ADC
Stakeholder Engagement: Conduct at least three stakeholder engagement sessions annually.	3	Meets with various stakeholders on a regular basis but, takes on too many meetings and engagements, and spreads herself thin; needs to delegate more responsibility to unofficial Assistant ED
Media Presence: Issuance of quarterly public updates and media releases, with a target of increasing positive media coverage by 25% annually.	2	Monitor new PR company on performance going forward

OVERALL SUCCESS ASSESSMENT: - 2.83 Average

1. Implementation of ADC's mission and goals.	5	4	3	2	1
2. Progress in moving ADC forward.	5	4	3	2	1
3. Handling of media, community, and legislative relations.	5	4	3	2	1
4. Achievement of Board-set goals. No Goals & Objectives provided	5	4	3	2	1

by Board

5. Efficiency and thoroughness of communication to the Board.	5	4	3	2	1
6. Establishment of a positive staff environment, ethical adherence, and mission-driven focus.	5	4	3	2	1
7. Projection of a positive image and clear direction for ADC.	5	4	3	2	1

Performance Highlights:

- What were the Executive Director's performance highlights relative to set goals and objectives?

Wendy Gady has been able to hit the ground running when first employed as ED. She has been able to handle projects inherited as well as the numerous projects funded by the Legislature, and fully staff ADC. However, being pulled in many directions, she has not been able to adequately manage staff, collaborate better, be more inclusive, and be more informative with all Staff levels. ED needs to be more accountable for actions and decisions. And better decision making on projects not mandated by funding.

Note: *I do not know of many individuals who have the ability and energy to manage the projects being directed/funded to ADC, provide outreach and attend meetings, and manage/supervise Staff. An Assistant ED position becomes more needed and required as projects increase.*

Areas for Improvement:

- What could have been improved regarding the Executive Director's performance?

OVERALL EVALUATION (Please check one): ____ Outstanding ____ Significantly Exceeds
Expectations **X** Fully Capable ____ Needs Improvement ____ Unsatisfactory

Evaluator's Signature: **Jason T. Okuhama**

Date: **April 28, 2025**

Executive Director's Signature: _____ Date: _____

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**Agribusiness Development Corporation ("ADC")
Executive Director's Annual Performance Review
FYE June 2025 – Lyle Tabata**

Overall Performance Score Average: **2.77 Average**
Overall Success Assessment Average: **2.83 Average**

Performance Definitions:

5 = Outstanding; 4 = Significantly Exceeds Expectations; 3 = Fully Capable; 2 = Needs Improvement; 1 = Unsatisfactory

1. LEADERSHIP, ADMINISTRATION, MANAGEMENT: - 2.96 Average

Plan, organize, coordinate, and direct daily operations. Lead with clear communication, transparency, and commitment to ADC's mission. Develop short and long-term strategic plans in collaboration with the Board. Implement Board-approved goals and objectives. Oversee daily operations, manage unforeseen work issues, and make timely decisions. Anticipate emerging needs and promote adaptability. Develop and execute budgets, oversee procurement, ensure compliance with laws and regulations, and manage risks.

Performance Factor	Performance From 5 to 1	Comments
Leadership Skills	2	Employee input shows need for improvement.
Strategic Planning (Short & Long-term)	3	Pending outcome of OP, however ED should take ownership of in process initiatives.
Implementation of Goals and Objectives	2.5	Needs to delegate workload to staff so things do not get lost.
Oversight of Daily Operations & Organization of Work	2	Delegation of certain daily operations should be priority to allow ED to deal with external needs.
Problem Solving & Decision Making	3	If she can shed some of the load will become more effective.
Anticipation of Needs, Changing Conditions & Environment	3	The environment continues to pull her in multiple directions, delegating certain tasks.
Budgeting & Economic Management	3	I question how much the accounting software is implemented for fiscal management.
Compliance	3	Has she completed the necessary DHURD, DPEDT Policy and Fiscal specific training?
Risk (Liability) Management	3	Same as above.
Dole Wells Acquisition: Progress on securing acquisition documents and funding by Q4 FY 2024/2025.	5	Completed?
PIG Facilitation: Effectiveness in facilitating Permitted Interaction Group (PIG) meetings and submitting timely progress reports.	3	Not sure if this is more a Board Chair function.

Strategic Infrastructure Planning: Development and implementation of a five-year strategic infrastructure improvement plan by Q2 FY26.	3	I believe we need a Project or Staff Engineer to support the needs of ADC.
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2. STAFF DEVELOPMENT: - 2.29 Average

Foster a high-performance team through mentorship, coaching, and promoting personal growth opportunities. Encourage decision-making and foster a positive organizational culture. Maintain open communications with staff, establish evaluations and reviews, create a positive workplace environment, and work to retain staff.

Performance Factor	Performance From 5 to 1	Comments
Staff Development & Performance	2.5	Employee feedback shows the need for subordinate improvement plans are required for them.
System for Evaluations	2.5	Staff feedback shows a definite need for improvement.
Culture of Collaboration, Accountability, and Inclusivity	2	Based on Staff feedback, we need to have an improved communication line drawn.
Staff Retention	2	Need staff retention numbers
Staff Meetings: Conduct a minimum of 26 bi-weekly staff meetings within FY 2024/2025.	3	I've sat on a few, in person and remote, should have a written agenda to insure nothing is missed especially when reviewing BOD meeting agenda.
Cross-Training & Continuing Education: Ensure 80% of staff complete cross-training sessions and 75% participate in continuing education by FY end.	2	Need a matrix of what has been completed or implemented. Staff feedback need more direction on what and who.
Grant Writer Hiring: Successful hiring of a qualified grant writer by Q4 FY 2024/2025.	2	Seems that she has decided to use DBEDT staff and others, need to have staff involvement too.

3. MANAGEMENT – 2.67 Average

Enhance administrative and operational efficiency through effective management systems and compliance practices.

Performance Factor	Performance From 5 to 1	Comments
File Management System: Implementation and operational effectiveness of electronic/physical file storage by Q3 FY 2024/2025.	2	Status?
Records Retention Policy: Development and adherence to	2	Status

ADC-specific records retention policies by Q2 FY 2024/2025.		
Audit Compliance: Addressing 100% of outstanding audit findings by June 30, 2025.	4	My understanding is that has been completed?

4. BOARD RELATIONS – 3.33 Average

Maintain open communication with the Board, provide timely and comprehensive reports, and support informed decision-making.

Performance Factor	Performance From 5 to 1	Comments
Weekly Reports: Timely submission and upload of Executive Director Weekly Reports within 48 hours.	5	Very timely question board members read all, maybe the executive summary version?
Board Packages: Distribution of comprehensive board packages at least five business days before meetings.	2	Staff need to ensure completeness, set timelines to complete fire before bringing forward.
Major Project Schedule Updates: Quarterly updates to the CIP Major Project Schedule.	3	The information is there, and a PM could improve each package.

5. PERSONAL DEVELOPMENT – 2.67 Average

Commit to professional growth, effective delegation, and enhancing ADC's public image.

Performance Factor	Performance From 5 to 1	Comments
Delegation & Leadership Development: Bi-monthly check-ins with the Board Chair to assess progress.	3	I think that she needs more staff to adequately delegate functions or up the quality of staff.
Professional Growth: Completion of at least two professional development courses annually.	3	I believe she has completed 1?
Public Image & Media Engagement: Issuance of at least three public relations statements or media engagements annually.	2	I was not impressed with the initial vendor selected, waiting to see the new firms performance.

6. INTER-GOVERNMENTAL AND COMMUNITY RELATIONS – 2.67 Average

Establish positive relations with government agencies, private and non-profit sectors, and the community at large.

Performance Factor	Performance From 5 to 1	Comments
Oral Communication	3	We speak almost daily on some issues; timely responses are excellent. Not sure about the rest of

		the staff, from staff feedback there is need to improve.
Written Communication	4	She writes well.
Coordination/Collaboration	2	Staff feedback shows need to improve.
Credibility	2	ED needs to take time out before pulling the trigger on emotional issues, gather all the facts. Feedback from stakeholders, she needs to take ownership at this point and not point at the BOD as it was their decision.
Stakeholder Engagement: Conduct at least three stakeholder engagement sessions annually.	3	ED may be trying to engage in too many, delegation of some. She needs to take feedback seriously and follow up take ownership.
Media Presence: Issuance of quarterly public updates and media releases, with a target of increasing positive media coverage by 25% annually.	2	I want to wait and see how the new firm moves forward, not impressed with the first firm.

OVERALL SUCCESS ASSESSMENT: - 2.83 Average

1. Implementation of ADC's mission and goals.	5	4	3	2	1
2. Progress in moving ADC forward.	5	4	3	2	1
3. Handling of media, community, and legislative relations.	5	4	3	2	1
4. Achievement of Board-set goals.	5	4	3	2	1
5. Efficiency and thoroughness of communication to the Board.	5	4	3	2	1
6. Establishment of a positive staff environment, ethical adherence, and mission-driven focus.	5	4	3	2	1
7. Projection of a positive image and clear direction for ADC.	5	4	3	2	1

Performance Highlights:

- What were the Executive Director's performance highlights related to set goals and objectives? ED is very energetic; however, feedback seems to indicate that the employees are seeking a more collaborative environment, and some are totally in the dark. For me it starts at the bottom of the ladder. Also from stakeholder feedback, she needs to take ownership of her agency.

Areas for Improvement:

- What could have been improved regarding the Executive Director's performance?

OVERALL EVALUATION (Please check one): ____ Outstanding ____ Significantly Exceeds Expectations ____ Fully Capable X Needs Improvement ____ Unsatisfactory

Evaluator's Signature: _____ Date: _____

Executive Director's Signature: _____ Date: _____

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**Agribusiness Development Corporation ("ADC")
Executive Director's Annual Performance Review
FYE June 2025**

Overall Performance Score Average: **3.00**
Overall Success Assessment Average: **3.00**

Performance Definitions:

5 = Outstanding; 4 = Significantly Exceeds Expectations; 3 = Fully Capable; 2 = Needs Improvement; 1 = Unsatisfactory

1. LEADERSHIP, ADMINISTRATION, MANAGEMENT: 3.12

Plan, organize, coordinate, and direct daily operations. Lead with clear communication, transparency, and commitment to ADC's mission. Develop short and long-term strategic plans in collaboration with the Board. Implement Board-approved goals and objectives. Oversee daily operations, manage unforeseen work issues, and make timely decisions. Anticipate emerging needs and promote adaptability. Develop and execute budgets, oversee procurement, ensure compliance with laws and regulations, and manage risks.

Performance Factor	Performance From 5 to 1	Comments
Leadership Skills	2.5	Staff noted unclear direction, low to no morale among employees.
Strategic Planning (Short & Long-term)	3	Staff observed a lack of clear strategic planning; many initiatives inherited without a forward-looking plan.
Implementation of Goals and Objectives	2.75	Progress noted on inherited projects, but gaps in new initiative ownership and licensing issues.
Oversight of Daily Operations & Organization of Work	2.5	Assistant ED handles daily operations; ED often disconnected from daily management needs.
Problem Solving & Decision Making	3	Addresses issues, but lack of consistent accountability and overextension across too many projects noted.
Anticipation of Needs, Changing Conditions & Environment	3	Adapting to external changes, but staffing vacancies remained unaddressed for months.
Budgeting & Economic Management	3.25	Budgeting is reactive to legislative funding; concerns about oversight with no Accountant for extended period.
Compliance	3	Compliance issues noted, including late Board minutes and inconsistent internal tracking.

Risk (Liability) Management	3	No clear SOPs for key activities; ad hoc management observed.
Dole Wells Acquisition: Progress on securing acquisition documents and funding by Q4 FY 2024/2025.	5	Completion confirmed; viewed positively.
PIG Facilitation: Effectiveness in facilitating Permitted Interaction Group (PIG) meetings and submitting timely progress reports.	3.5	Scheduled meetings were effective; could improve timeliness of reporting.
Strategic Infrastructure Planning: Development and implementation of a five-year strategic infrastructure improvement plan by Q2 FY26.	3	Requires additional technical staff to advance major infrastructure plans.

2. STAFF DEVELOPMENT: 2.5

Foster a high-performance team through mentorship, coaching, and promoting personal growth opportunities. Encourage decision-making and foster a positive organizational culture. Maintain open communications with staff, establish evaluations and reviews, create a positive workplace environment, and work to retain staff.

Performance Factor	Performance From 5 to 1	Comments
Staff Development & Performance	2.75	Staff reported unclear roles, lack of mentorship, and no SOPs in place.
System for Evaluations	2.5	Occasional meetings occur but no formal evaluation system has been established.
Culture of Collaboration, Accountability, and Inclusivity	2.75	Staff cited the need for stronger communication lines and addressing unprofessional behavior.
Staff Retention	2.25	High turnover noted; key vacancies like Accountant V remain unfilled.
Staff Meetings: Conduct a minimum of 26 bi-weekly staff meetings within FY 2024/2025.	3.25	Meetings held regularly but would benefit from clearer agendas and action tracking.
Cross-Training & Continuing Education: Ensure 80% of staff complete cross-training sessions and 75% participate in continuing education by FY end.	2	No consistent system for monitoring training; roles remain unclear.
Grant Writer Hiring: Successful hiring of a qualified grant writer by Q4 FY 2024/2025.	2	Grant writer position was not filled; duties assigned to existing staff and external parties.

3. MANAGEMENT: 3.08

Enhance administrative and operational efficiency through effective management systems and compliance practices.

Performance Factor	Performance From 5 to 1	Comments
File Management System: Implementation and operational effectiveness of electronic/physical file storage by Q3 FY 2024/2025.	2.5	Initial improvements made with file management but full implementation remains incomplete.
Records Retention Policy: Development and adherence to ADC-specific records retention policies by Q2 FY 2024/2025.	2.75	Progress made in reorganizing records, but consistency and formalization still lacking.
Audit Compliance: Addressing 100% of outstanding audit findings by June 30, 2025.	4	Major findings have been addressed, but completing 100% compliance requires more focused prioritization.

4. BOARD RELATIONS: 3.41

Maintain open communication with the Board, provide timely and comprehensive reports, and support informed decision-making.

Performance Factor	Performance From 5 to 1	Comments
Weekly Reports: Timely submission and uploading of Executive Director Weekly Reports within 48 hours.	4.75	Reports submitted timely with minor exceptions when traveling or during session.
Board Packages: Distribution of comprehensive board packages at least five business days before meetings.	2.5	Timeliness and completeness of Board packages need improvement; staff support structure needed.
Major Project Schedule Updates: Quarterly updates to the CIP Major Project Schedule.	3	Updates provided but require more detail and frequency for better Board oversight.

5. PERSONAL DEVELOPMENT: 2.88

Commit to professional growth, effective delegation, and enhancing ADC's public image.

Performance Factor	Performance From 5 to 1	Comments
Delegation & Leadership Development: Bi-monthly check-ins with the Board Chair to assess progress.	3	Delegation improving but structure around "Assistant ED" duties remains informal and unclear.
Professional Growth: Completion of at least two professional development courses annually.	2.9	Some professional development courses completed; need stronger tracking and reporting to Board.
Public Image & Media Engagement:	2.75	Previous PR efforts underperformed;

Issuance of at least three public relations statements or media engagements annually.		current firm's performance yet to be fully assessed.
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6. INTER-GOVERNMENTAL AND COMMUNITY RELATIONS: 3.04

Establish positive relations with government agencies, private and non-profit sectors, and the community at large.

Performance Factor	Performance From 5 to 1	Comments
Oral Communication	3.5	Strong external communication; internal communication with staff needs strengthening.
Written Communication	3.25	External writing is effective; internal documentation and clarity vary.
Coordination/Collaboration	3.25	Good external coordination; internal collaboration inconsistent based on staff feedback.
Credibility	2.5	Credibility improving externally but concerns remain with major stakeholders and ownership of decisions.
Stakeholder Engagement: Conduct at least three stakeholder engagement sessions annually.	3	Engages stakeholders actively but tends to overextend without sufficient follow-up.
Media Presence: Issuance of quarterly public updates and media releases, with a target of increasing positive media coverage by 25% annually.	2.75	Efforts underway with new PR firm; prior media engagement activities were below expectations.

OVERALL SUCCESS ASSESSMENT: 3.0

1. Implementation of ADC's mission and goals.	5	4	3	2	1
2. Progress in moving ADC forward.	5	4	3	2	1
3. Handling of media, community, and legislative relations.	5	4	3	2	1
4. Achievement of Board-set goals.	5	4	3	2	1
5. Efficiency and thoroughness of communication to the Board.	5	4	3	2	1
6. Establishment of a positive staff environment, ethical adherence, and mission-driven focus.	5	4	3	2	1

Evaluator: Dane Wicker
Date: April 25, 2025

7. Projection of a positive image and clear direction for ADC. 5 4 **3** 2 1

Performance Highlights:

- What were the Executive Director's performance highlights relative to set goals and objectives?
 - Increased agency visibility and stakeholder outreach.
 - Completion of Dole Wells acquisition and advancement of major projects.
 - Established consistent reporting cadence for Board updates.

Areas for Improvement:

- What could have been improved regarding the Executive Director's performance?
 - Completion and implementation of a formal strategic plan.
 - Addressing staff development, retention, and workplace culture.
 - Strengthening internal management systems, compliance, and communication accuracy.
 - Improved ownership and accountability for decisions and public messaging.

OVERALL EVALUATION (Please check one): ____ Outstanding ____ Significantly Exceeds Expectations **X** Fully Capable **X** Needs Improvement ____ Unsatisfactory

Evaluator's Signature: _____

Date: _____

Executive Director's Signature: _____

Date: _____

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**Agribusiness Development Corporation ("ADC")
Executive Director's Annual Performance Review
FYE June 2025**

8 Staff Surveys with 2 blanks due to no interaction

Overall Performance Score Average: **3.23**

Overall Success Assessment Average: **3.24**

Performance Definitions:

5 = Outstanding; 4 = Significantly Exceeds Expectations; 3 = Fully Capable; 2 = Needs Improvement; 1 = Unsatisfactory

1. LEADERSHIP, ADMINISTRATION, MANAGEMENT: - 3.24 Average

Plan, organize, coordinate, and direct daily operations. Lead with clear communication, transparency, and commitment to ADC's mission. Develop short and long-term strategic plans in collaboration with the Board. Implement Board-approved goals and objectives. Oversee daily operations, manage unforeseen work issues, and make timely decisions. Anticipate emerging needs and promote adaptability. Develop and execute budgets, oversee procurement, ensure compliance with laws and regulations, and manage risks.

Performance Factor	Performance From 5 to 1	Comments – from one Staff member only
Leadership Skills	4,2,3,4,N/A,3,2,4 = 3.14	Unclear direction; low to no morale
Strategic Planning (Short & Long-term)	3,2,4,4,N/A,3,4,4 = 3.13	Unclear
Implementation of Goals and Objectives	3,2,4,4,N/A,3,5,4 = 3.57	Land is still not licensed
Oversight of Daily Operations & Organization of Work	3,3,2,3,N/A,3,2,4 = 2.86	Ass't ED handles daily mgmt.; but ED is not involved or aware
Problem Solving & Decision Making	3,2,3,4,N/A,3,2,5 = 3.14	Lack of accountability from ED & Board leadership
Anticipation of Needs, Changing Conditions & Environment	3,1,4,4,N/A,3,3,4 = 3.14	No Accountant V for 5 months
Budgeting & Economic Management	3,1,4,4,N/A,2,5,3 = 3.14	No accountant for 5 months; Contract scope of work not vetted by ED
Compliance	2,1,3,4,N/A,3,3,4 = 2.86	ADC Board Minutes several months late
Risk (Liability) Management	2,1,4,4,N/A,3,4,3 = 3.00	No SOP for document execution
Dole Wells Acquisition: Progress on securing acquisition documents and funding by Q4 FY 2024/2025.	3,N/A,4,3,N/A,N/A,5,N/A = 3.75 based on 4	
PIG Facilitation: Effectiveness in facilitating Permitted Interaction Group (PIG) meetings and submitting timely progress	3,3,2,4,N/A,N/A,4,3 = 3.17 based on 6	

reports.		
Strategic Infrastructure Planning: Development and implementation of a five-year strategic infrastructure improvement plan by Q2 FY26.	3,N/A,4,4,N/A,N/A,5,4 = 4.00 based on 5	

2. STAFF DEVELOPMENT: - 3.04 Average

Foster a high-performance team through mentorship, coaching, and promoting personal growth opportunities. Encourage decision-making and foster a positive organizational culture. Maintain open communications with staff, establish evaluations and reviews, create a positive workplace environment, and work to retain staff.

Performance Factor	Performance From 5 to 1	Comments
Staff Development & Performance	3,2,5,4,2,3,2,4 = 3.13	Aimless, unclear roles & responsibilities, no SOP
System for Evaluations	3,2,3,3,?,3,3,3 = 2.86	Occasional meetings on workload
Culture of Collaboration, Accountability, and Inclusivity	4,1,5,4,?,3,4,4 = 3.57	Unprofessional behavior unaccounted for
Staff Retention	3,1,2,4,?,3,2,3 = 2.57	Accountant V left 12/24, has not been filled
Staff Meetings: Conduct a minimum of 26 bi-weekly staff meetings within FY 2024/2025.	4,5,4,4,2,3,5,5 = 4.00	Staff meetings are held weekly
Cross-Training & Continuing Education: Ensure 80% of staff complete cross-training sessions and 75% participate in continuing education by FY end.	3,3,4,3,2,N/A,2,1 = 2.57	Cross-training has been taken advantage of; unclear roles and responsibilities
Grant Writer Hiring: Successful hiring of a qualified grant writer by Q4 FY 2024/2025.	3,2,4,3,N/A,N/A,1,N/A = 2.60	Grant writer not hired, staff assigned to work

3. MANAGEMENT - 3.27 Average

Enhance administrative and operational efficiency through effective management systems and compliance practices.

Performance Factor	Performance From 5 to 1	Comments
File Management System: Implementation and operational effectiveness of electronic/physical file storage by Q3 FY 2024/2025.	4,3,3,4,N/A,N/A,2,4 = 3.33	Overhaul and digital repository proposed and accepted in Q3 2024; currently implemented
Records Retention Policy: Development and adherence to	4,4,3,4,N/A,3,4 = 3.67	Physical records have been reorganized via critical internship

ADC-specific records retention policies by Q2 FY 2024/2025.		program
Audit Compliance: Addressing 100% of outstanding audit findings by June 30, 2025.	3,2,3,3,N/A,N/A,3,N/A = 2.80	Could be done if it was #1 priority of ED

4. BOARD RELATIONS – 3.30 Average

Maintain open communication with the Board, provide timely and comprehensive reports, and support informed decision-making.

Performance Factor	Performance From 5 to 1	Comments
Weekly Reports: Timely submission and uploading of Executive Director Weekly Reports within 48 hours.	2,5,4,4,3,N/A,3,5 = 3.71	
Board Packages: Distribution of comprehensive board packages at least five business days before meetings.	2,4,3,3,N/A,N/A,2,4 = 3.00	
Major Project Schedule Updates: Quarterly updates to the CIP Major Project Schedule.	3,N/A,3,3,N/A,N/A,3,4 = 3.20	

5. PERSONAL DEVELOPMENT – 3.20 Average

Commit to professional growth, effective delegation, and enhancing ADC's public image.

Performance Factor	Performance From 5 to 1	Comments
Delegation & Leadership Development: Bi-monthly check-ins with the Board Chair to assess progress.	3,N/A,4,3,N/A,N/A,2,3 = 3.00	
Professional Growth: Completion of at least two professional development courses annually.	3,N/A,3,4,N/A,N/A,3,1 = 2.8	
Public Image & Media Engagement: Issuance of at least three public relations statements or media engagements annually.	3,N/A,4,4,N/A,N/A,4,4 = 3.8	

6. INTER-GOVERNMENTAL AND COMMUNITY RELATIONS – 3.35 Average

Establish positive relations with government agencies, private and non-profit sectors, and the community at large.

Performance Factor	Performance From 5 to 1	Comments
Oral Communication	4,3,5,4,2,N/A,5,5 = 4.00	

Written Communication	3,3,4,4,2,N/A,2,5 = 3.29	
Coordination/Collaboration	3,2,4,4,2,N/A,3,5 = 3.29	
Credibility	3,1,3,4,2,N/A,4,4 = 3.00	
Stakeholder Engagement: Conduct at least three stakeholder engagement sessions annually.	4,1,3,3,2,N/A,4,4 = 3.00	
Media Presence: Issuance of quarterly public updates and media releases, with a target of increasing positive media coverage by 25% annually.	3,3,4,3,N/A,N/A,4,4 = 3.5	

OVERALL SUCCESS ASSESSMENT: - 3.24 Overall Average

1. Implementation of ADC's mission and goals. 3,2,4,4,N/A,3,4,4 = 5 4 3 2 1
3.43
2. Progress in moving ADC forward. 3,2,4,4,3,3,3,4 = 3.25 5 4 3 2 1
3. Handling of media, community, and legislative relations. 5 4 3 2 1
4,4,4,4,3,3,4,5 = 3.88
4. Achievement of Board-set goals. 3,2,4,4,N/A,2,3,4 = 3.14 5 4 3 2 1
5. Efficiency and thoroughness of communication to the Board. 5 4 3 2 1
4,2,3,4,N/A,N/A,3,4 = 3.33
6. Establishment of a positive staff environment, ethical adherence, and mission-driven focus. 3,1,4,4,2,3,2,3 = 2.75 5 4 3 2 1
7. Projection of a positive image and clear direction for ADC. 5 4 3 2 1
3,2,3,4,2,3,2,4 = 2.88

Performance Highlights:

- What were the Executive Director's performance highlights relative to set goals and objectives? **Higher visibility of agency in industry and in politics.**

Areas for Improvement:

- What could have been improved regarding the Executive Director's performance?
ED needs t be honest and accountable with staff and not cow tow to legislators. Severe need for accountability of actions and decisions.

Communication with staff.

OVERALL EVALUATION (Please check one): _____ Outstanding _____ Significantly Exceeds Expectations **X,X** Fully Capable **X,X** Needs Improvement _____ Unsatisfactory

Evaluator's Signature: _____ Date: _____

Executive Director's Signature: _____ Date: _____

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ADC FY 2024-2025 Staff Survey

Please help inform our ADC Executive Director Permitted Interaction Group as we complete the ED's Evaluation.

This survey is adapted from Hawaii Business News' Annual Best Places to Work survey.

We request responses received by the ADC ED PIG by April 23, 2025.

In an effort to keep responses anonymous, do not put your name on the survey.

- Mahalo for your assistance, Board Members Lyle Tabata, Dane Wicker and Jason Okuhama

AVERAGE SCORE

Please tell us if you agree or disagree with the following statements using the rating options 1-4.	RATING				Optional: Feel free to include brief comments
	1 - Strongly Disagree	2 - Disagree	3 - Agree	4 - Strongly Agree	
LEADERSHIP AND PLANNING					
I understand the long-term strategy of this organization			X	X	3.5
I have confidence in the leadership of this organization		X	X		2.5
The leaders of this organization care about their employees' well being			X	X	3.5
Senior leaders live the core values of the organization			X	X	3.0
There is adequate planning of departmental objectives	X		X		2.0
There is adequate follow-through of departmental objectives	X		X		2.0
The leaders of this organization are open to input from employees		X	X		2.5
ORGANIZATIONAL CULTURE AND COMMUNICATIONS					
This organization's internal communications are frequent enough	X		X		2.0
This organization's internal communications are detailed enough	X		X		2.0
I have a good understanding of how this organization is doing financially	X		X		2.0
I can trust what this organization tells me		X	X		2.5
This organization treats me like a person, not a number		X	X		2.5
This organization gives me enough recognition for work that is well done		X	X		2.5
Staffing levels are adequate to provide quality products/services	X		X		2.0
Quality is a top priority with this organization	X		X		2.0
Safety is a top priority with this organization			X	X	3.0
I believe there is a spirit of cooperation within this organization			X	X	3.0
My employer enables a culture of diversity			X	X	3.5
I like the people I work with at this organization			X	X	3.0
At this organization, employees have fun at work			X	X	3.0
I feel I can express my honest opinions without fear of negative consequences		X	X		2.0
Changes that may affect me are communicated to me prior to implementation		X	X		2.5
ROLE SATISFACTION					

I like the type of work that I do			X	X	3.5
I am given enough authority to make decisions I need to make		X	X		2.0
I believe my job is secure		X	X		2.0
Deadlines at this organization are realistic	X	X			1.5
I feel I am valued in this organization			X	X	2.5
I feel part of a team working toward a shared goal			X	X	2.5
I am able to maintain a reasonable balance between work and my personal life			X	X	3.0
My job makes good use of my skills and abilities			X		X 3.5
I have a clear understanding of my job role			X	X	2.5
I understand the importance of my role to the success of the organization			X		X 3.5
Most days, I feel I have made progress at work			X	X	3.0
TRAINING, DEVELOPMENT AND RESOURCES					
This organization provided as much initial training as I needed	X		X		2.0
This organization provides as much ongoing training as I need	X	X			1.5
This organization provides the technology, equipment and resources I need to do my job well			X	X	3.0
The computer or other hardware I use to do my job is dependable			X	X	3.0
The software and program applications I use to do my job are adequate		X		X	2.5
Technology issues are resolved in a timely manner		X	X		2.0
Technology issues affecting my work are communicated to me in a timely manner			X	X	2.5
I understand what is expected for career advancement	X		X		2.0
I am encouraged to explore growth or advancement opportunities within the organization	X	X			1.5
There is room for me to advance at this organization	X		X		2.0
I trust that if I do good work, I will be considered for a promotion	X		X		2.0
OVERALL ENGAGEMENT					
Overall, I am very satisfied with my employer			X	X	2.5
Most days, I look forward to going to work			X	X	3.0
My job provides me with a sense of meaning and purpose			X	X	2.5
I am proud to work for this organization			X	X	3.0
I feel this organization has created an environment where I can do my best work		X	X		2.0
I am willing to give extra effort to help this organization succeed			X		X 3.5
I plan to continue my career with this organization for at least two more years			X	X	2.5
I would recommend this organization's products/services to a friend			X	X	2.5
I would recommend working here to a friend			X	X	2.5
- END OF SURVEY -					

DA: May 28, 2025

TO: Executive Director Evaluation, Goals and Objectives Permitted Interaction Group

FROM: Wendy Gady, Executive Director, Agribusiness Development Corporation

SUBJECT: Executive Director Self-Evaluation and Progress Summary

Dear Members of the Executive Director Evaluation, Goals and Objectives Permitted Interaction Group,

Please accept this memorandum as my formal self-evaluation, outlining key accomplishments, ongoing priorities, and forward-looking goals during the current reporting period. The following summary reflects the collective work of the Agribusiness Development Corporation (ADC) team and our continuing efforts to strengthen agriculture, food resilience, and public trust in our work.

I. Organizational Leadership & Communication

- Held **weekly staff meetings** to improve coordination, communication, and alignment across projects.
 - Issued public announcements welcoming **new Board members** and highlighting key milestones, including coverage by **KHON**.
 - Conducted a comprehensive **Board orientation and O'ahu asset tour** to build governance awareness and operational context.
 - Provided testimony and coordination to support **Board appointments**, progressing toward a fully seated and functional Board.
 - Improved **Board meeting preparation**, including timely agenda packets and better alignment with strategic goals.
 - Supported two **legislative sessions**, tracking and testifying on key agriculture and infrastructure-related bills.
-

II. Project and Asset Development

- Successfully **closed the Dole Wells**, resolving a long-standing operational issue after **four years**—a major milestone in land and water resource management.

- Acquired the **Becks facility**, significantly enhancing ADC's infrastructure for value-added production and agribusiness.
- Executed **21 Rights of Entry**, enabling ongoing agricultural use of ADC-managed lands.
- Advanced **land release strategies** through PIG sessions addressing land access, solar energy, infrastructure, and distribution systems.
- Partnered with stakeholders on business plans for **egg-cracking** and **small animal slaughterhouse facilities**, supported by proposed legislation.
- Completed the **5-Year Capital Improvement Project (CIP) Plan** to guide long-term investment in statewide agricultural infrastructure.
- Led drafting of the agency's **strategic plan**, aligned with **HRS §163D** and informed by feedback from the Board, stakeholders, and industry.

III. Grants and Federal Funding (New Milestone)

Led ADC's **first-ever competitive and federal grant submissions**, including:

- **Defense Community Infrastructure Program (DCIP)**
- **WaterSMART** (U.S. Bureau of Reclamation)
- **Farm to School Grant Program** (USDA)
- **Federal earmark requests** submitted to the **Hawai'i Congressional Delegation**

These submissions reflect expanded organizational capacity and progress in diversifying ADC's funding streams.

IV. Audit Response, HR & Operational Capacity

- Continued implementation of responses to **audit findings**, including planning improvements and internal controls.
- Hired key staff: **Property Manager and Water Manager (Kaua'i)** and **Accountants IV and V**, enhancing operational and financial capacity.
- Resolved the **PMRF billing backlog**, improving fiscal tracking and compliance.

- Engaged with the **Department of Health and Board of Water Supply** regarding compliance issues, including progress on the **NPDES permit**.
 - Launched a **comprehensive review of position descriptions** and began developing a **market-based compensation analysis** to support recruitment and retention of top-tier talent.
-

V. Professional Development & Organizational Culture

- Supported team professional growth, including **Ken Nakemoto's training and staff leave** (e.g., **Mark Takemoto's vacation**) for wellness and work-life balance.
 - Completed the **Hawai'i Investment Ready (HIR) program**, strengthening internal strategy and funder engagement.
 - Initiated **team-building efforts** to foster a collaborative and mission-aligned culture.
 - Committed to **ongoing development** for both staff and leadership, especially in procurement, planning, and executive management.
-

VI. Strategic Alignment & Systems Improvement

- Advanced implementation of the **strategic plan**, ensuring compliance with **HRS §163D** and alignment with community and sector priorities.
 - Improved budgeting processes to better reflect strategic priorities and operational needs.
 - Committed to:
 - Expanding **knowledge of the state procurement process** to improve efficiency and compliance.
 - Implementing a **CIP estimating system** to increase accuracy in project budgeting and planning and to enhance support for legislative requests.
-

VII. Community & Sector Engagement

- Continued work with the **Wahiawā community**, including houselessness and agricultural land use initiatives.

- Partnered with the **Department of Education** to explore agricultural education and farm-to-school pathways.
 - Represented ADC at the **Ag Leadership Conference**, including leading a session to highlight agency progress and sector collaboration.
 - Engaged in **PIG sessions** covering land use, value-added production, solar energy, and distribution infrastructure.
-

VIII. Goals and Forward Commitments

As we look to the future, I am committed to the following goals:

- Continue improving **Board meeting preparation** and strategic alignment with governance needs.
 - Finalize and operationalize the **strategic plan**, rooted in **HRS §163D** and stakeholder input.
 - Complete the **position description review** and conduct a **compensation market analysis**.
 - Deepen **internal communication tools**, onboarding, and leadership development across the team.
 - Gain a **deeper understanding of the state procurement process** to reduce delays and enhance project delivery.
 - Deploy a **Capital Improvement Project estimating tool** to better forecast costs and guide funding requests and execution.
 - Improve response time to internal requests for information (i.e. C&Rs, Budget Questions, etc.)
-

Mahalo for your continued guidance and support. I remain fully committed to building an accountable, capable, and forward-looking organization that strengthens Hawaii's agricultural future.

Respectfully submitted,

**Agribusiness Development Corporation
Executive Director
Performance Goals and Objectives FY2026**

Annual Goals and Objectives:

1. LEADERSHIP & ADMINISTRATION

Specific Goals:

- **ADC Agribusiness Strategic Plan (ADC ASP):** Office of Planning and Sustainable Development (OPSD) and the University of Hawai'i Community Design Center (UHCDC) to provide the draft ADC ASP to the ADC Board by July 30, 2025. ADC ASP to be reviewed, refined, finalized, and rolled out by ADC Board by September 30, 2025. Staff continue to assist OPSD and UHCDC in completing the ADC ASP.
- **Property Acquisition:** Complete the acquisition of strategic agricultural lands and water systems including the East Kauai Irrigation System, Wahiawa Irrigation System by Q4 FY26.
- **Infrastructure Improvement Plan:** Develop and implement a five-year strategic infrastructure improvement development plan for ADC's assets, including irrigation systems, reservoirs, and post-harvest processing centers by Q2 FY26.
- **Food Security and AG Diversification:** Establish new initiatives to promote diversified agriculture and agribusiness innovation, including the Food and Product Innovation Network and the Regional Food Hubs by Q3 FY26.
- **Compliance and Risk Management:** Address and resolve 100% of outstanding audit findings by Q2 FY26.
Establish a comprehensive risk management framework, including liability assessments and mitigation strategies for agricultural operations by Q2 FY26.
- **External AG Training Programs:** Collaborate with educational institutions and workforce development organizations to create at least two new agricultural training programs focusing on irrigation management, agribusiness, food safety, and value-added production by Q4 FY26.

- **PIG Facilitation:** Track the number of Permitted Interaction Group (PIG) meetings facilitated with assigned staff and ensure 90% of meetings are completed on schedule with progress reports submitted to the ADC Board.

Measurable and Achievable:

- **ADC Agribusiness Strategic Plan:** Final ADC Agribusiness Strategic Plan rolled out by ADC Board by September 30, 2025.
- **Property Acquisition:** Status of acquisition of strategic agricultural lands and water systems by Q4 FY26.
- **Infrastructure Improvement Plan:** Five-year strategic infrastructure improvement development plan completed and implemented by Q2 FY26.
- **Food Security and AG Diversification:** Initiatives established by Q3 FY26.
- **Compliance and Risk Management:** 100% of outstanding audit findings addressed, resolved and reported to Board by Q2 FY26.
Comprehensive risk management framework established and implemented by Q2 FY26.

External AG Training Programs: Two new agricultural training programs established and implemented by Q4 FY26.

- **PIG Facilitation:** 90% of PIG meetings were on schedule and timely progress reports are submitted to Board.

2. MANAGEMENT & FISCAL STEWARDSHIP

Specific Goals:

- **Legislative Support & Advocacy:** Track and provide input on legislative bills annually that impact agricultural development and ADC's mission.
Develop policy recommendations to the Legislature on improving agricultural land use, irrigation infrastructure, and food security by Q1 FY26.
- **Financial Plan and Budget:** Develop a multi-year financial plan that aligns operational budgets with strategic priorities, ensuring fiscal sustainability by Q1 FY26.
- **Grant Opportunities:** Secure and manage grants, such as the WaterSMART Drought Grant and other federal funding opportunities to support agricultural

development with a target of securing at least \$10M in new funding by Q4 FY26.

- **Land Stewardship:** Maximize utilization of ADC's agricultural lands through new license agreements and awards by Q4 FY26.

Establish performance metrics and conduct annual evaluations for all active licenses to ensure optimal land and resource use.

- **Yardi System Implementation:** Yardi System to be running at full operational capacity to include land management by Q1 FY26. YARDI System to include water use agreements if it is best practical system available to ADC.

Measurable and Achievable:

- **Legislative Support & Advocacy:** Provided Legislature with input supporting agriculture development and ADC's mission before and during 2026 legislative session.

Provided policy recommendations to the Legislature, by Q1 FY26.

- **Financial Plan and Budget:** Multi-year financial plan developed, by Q1 FY26.
- **Grant Opportunities:** Report to ADC Board on all Grant opportunities applied for and status on a quarterly basis.
- **Land Stewardship:** Report to ADC Board on the increase in ADC Ag land licenses between FYE 25 to FYE 26. Report provided to ADC Board on a quarterly basis.
- **Yardi System:** Yardi System fully operational and generating reports on land management, and if applicable, water use agreements. Ongoing quarterly reports provided to ADC Board starting Q1 FY26.

3. STAFF DEVELOPMENT

Specific Goals:

- **Staff Meetings:** Conduct bi-weekly staff meetings to ensure alignment with organizational goals and implement a quarterly performance review system by Q2 FY26.
- **Cross Training:** Introduce cross-training programs for 100% of staff to enhance operational flexibility and knowledge sharing by Q3 FY26.

- **Work Monitoring System:** Conduct staff quarterly performance reviews to adjust and balance staff workload.
- **Continuing Education:** Achieve at least 100% staff participation in one State DHRD or private training by Q4 FY26.
- **Staff Positions:** Hire key personnel including a grant writer, climate-resilient food network manager, and Kauai water management team to strengthen internal capacity by Q2 FY26.

Measurable and Achievable:

- **Staff Meetings:** Confirm 26 bi-weekly staff meetings held in FY26.
- **Work Monitoring System:** Quarterly report to ADC Board on workload distribution and balance, to not burn out staff.
- **Cross Training:** Confirmed 100% of staff completed at least one cross-training program by Q4 FY26.
- **Continuing Education:** Confirmed 100% staff participation by Q4 FY26.
- **Staff Positions:** All staff positions filled by Q2 FY26. ADC Board is kept informed on changes in open and filled staff positions.

4. BOARD RELATIONS

Specific Goals:

- **Weekly Reports:** Ensure 100% of ED Weekly Reports are submitted on time and uploaded to the ADC website within 48 hours.
- **Timely Board Packages:** Distribute comprehensive Board packages at least five business days before each meeting, maintaining 100% on-time delivery rate. Allows Board sufficient time to review meeting materials and time for any questions.
- **Major Project Schedule:** Update and share the CIP Major Project Schedule quarterly. Allows detailed tracking and reporting of CIP projects and strategic plan progress.

Measurable and Achievable:

- **Weekly Reports:** Monitor/confirm Weekly Reports submitted on time and uploaded to ADC website within 48 hours.
- **Board Packages:** Monitor/confirm receipt of Board packages 5 business days prior to each Board Meeting with 100% on-time delivery.
- **Major Project Schedule:** Monitor/confirm receipt of quarterly CIP Major Project Schedule.

5. COLLABORATION, COMMUNITY RELATIONS AND MEDIA

Specific Goals:

- Conduct at least three stakeholder engagement sessions annually to gather input and feedback on ADC projects and initiatives.
- Partner with industry associations, such as the Hawaii Farm Bureau and University of Hawaii, to enhance public outreach and education efforts on agricultural innovations.
- Ensure that ADC projects align with statewide agricultural plans and goals, including the State's mandate to double food production by 2030, with progress reports submitted bi-annually to the Legislature.
- Issue quarterly public updates or media releases highlighting ADC's accomplishments, including project milestones, funding achievements, and strategic partnerships. Improved public perception through stakeholder feedback throughout FY26.
- Establish a media relations strategy to promote ADC's role in supporting Hawaii's agricultural resilience, with a goal of increasing positive media coverage by 25% by Q4 FY26.

Measurable and Achievable:

- Confirm minimum three stakeholder engagement sessions by Q4 FY26.
- Confirm partnerships with external organizations and public outreach.
- Board oversight that ADC's efforts align with statewide AG plans and goals and bi-annual progress report submitted to Legislature.

- Monitor/confirm three public relations statements or media engagements by Q4 FY 2026. And collaboration with ADC's public relations companies.
- Monitor/confirm implementation of media relations strategy in FY26, with positive media coverage. ADC contracted media company to track increasing positive media coverage and provide metrics on improvement.

6. PERSONAL DEVELOPMENT

Specific Goals:

- **Mentorship:** Executive Director to work with Mentor, Board Member Glen Hong, to improve executive management of ADC including staff optimization, internal and external priorities, plan and schedule of department activities and execution.

Board shall create a FY 2026 Mentorship Permitted Interaction Group ("PIG") to discuss mentorship efforts and impact.

- **Leadership Delegation:** Conduct bi-monthly check-ins with the ADC Board Chair to assess progress in delegation and leadership distribution.
- **Professional Growth:** Complete at least two professional development courses by Q4 FY26.
- **Retention and Salary Increase:** ADC ED to prepare performance-based self-evaluation to justify yearly salary adjustment by May 15, 2026.

Measurable and Achievable:

- **Mentorship:** Mentor Glen Hong to report to Mentorship ED PIG on monthly basis for Q1 FY26. Ongoing Mentorship ED PIG meetings to be determined after Q1 FY26.
- **Leadership Delegation:** ADC Board Chair to provide status on delegation and leadership distribution prior to FY26 ED Evaluation.
- **Professional Growth:** Confirm ED completion of two professional development courses by Q4 FY26.
- **Retention and Salary Increase:** Receipt of ED Self-evaluation by May 15, 2026.

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-1

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request for approval to renew Revocable Permit No. RP-PU-23-01, issued to Robert Rita Jr. dba Robert's Equipment Service, for 24 gross acres, more or less, of land in District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 6-5-001:056 (por.)

Permittee: Robert Rita Jr. dba Robert's Equipment Service

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

Area: 24 gross acres, more or less

Field No(s): PU-05 (Premises) (Exhibit "A")

Tax Map Key: (1) 6-5-001:056 (Property)

Land Status: Acquired in fee by the Agribusiness Development Corporation in 2020

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 (por.); AG-2 (por.)

Character of Use: Permittee harvests grass for animal feed

Land Doc. Type: Revocable Permit

Term: Month-to-month (annual renewal)

Current Rental Rate: \$14 per acre per year
Annual Rent: \$336.00

Request for approval to renew Revocable Permit No. RP-PU-23-01, issued to Robert Rita Jr. dba Robert's Equipment Service, for 24 gross acres, more or less, of land in District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 6-5-001:056 (por.)
June 26, 2025

BACKGROUND:

Revocable Permit No. RP-PU-23-01 (Permit) was issued to Robert Rita Jr. dba Robert's Equipment Service (Permittee) effective March 22, 2023. When the Board of Directors (Board) approved the Permit, it was with the understanding that the use would be temporary as well as beneficial to ADC. At the time, Permittee's approved operational plan was to place horses on the property for progressive grazing that would control the growth of grass and weeds, as well as maintain and keep an adjacent drainage easement clear.

REQUEST:

Staff requests that the Board approve the retroactive renewal of the Permit, subject to the conditions noted in the recommendations, for the periods of March 22, 2024 – March 21, 2025, and March 22, 2025 – March 21, 2026.

OPERATIONAL PLAN:

Permittee currently uses a portion of the Premises to harvest existing grasses for animal feed for their own operations.

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 environmental review process is not triggered because it is an existing and continuing use of state lands.

DISCUSSION:

With the exception of the concerns discussed in the following paragraph, the Permittee is currently in good standing, current on all rents and in compliance with the terms of the Permit.

As prior noted, the Board approved the Permit with the understanding that the use would be temporary as well as beneficial to ADC. The Permittee's use of the Premises would reduce the fire fuel load and thereby reduce the risk to the nearby residential properties, as well as maintain and keep clear an adjacent drainage easement. To date, the Permittee has only harvested grass on a small and flat portion of the Premises. Permittee *has not* kept the borders of the Premises clear near the adjacent communities, nor have they kept the drainage easement mowed. Instead, ADC has been obliged to procure services, or seek assistance from other state departments/agencies, to clear a fire-break near those communities.

The recommendations below include a rate increase based on the recognition that the expectations of the Permittee have not been met. The increased rate would provide \$1,200 in annual income to ADC. This represents an annual increase of \$864, or a 72% increase).

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

Request for approval to renew Revocable Permit No. RP-PU-23-01, issued to Robert Rita Jr. dba Robert's Equipment Service, for 24 gross acres, more or less, of land in District of Waialua, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 6-5-001:056 (por.)
June 26, 2025

1. Approve the Request, subject to the following conditions:
 - a. Pursuant to paragraph B(6)¹ of the Permit, ADC increases the rental rate from \$14/acre/year to \$50/acre/year, effective August 1, 2025; and
 - b. Permittee shall be advised that ADC is currently pursuing diversified agriculture tenants for the Premises and that they may be required to vacate; and
 - c. All other terms and conditions of the Permit shall remain unchanged.
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

LYLE ROE

Asset Manager

Approved for Submittal:



Wendy Gady

Executive Director

Attachment(s):

Exhibit A (map)

¹ "ADC may at any time increase or decrease the monthly rental by written notice at least thirty (30) days prior to the date of the change of rent"

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-2

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request for approval to issue a license agreement to the University of Hawaii for weather recording purposes in District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:001 (por.)

Applicant: University of Hawaii (Applicant), for the benefit of the University of Hawaii at Manoa Water Resources Research Center and the Research Corporation of the University of Hawaii

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

Area: 800 square feet, more or less (400 square feet per site)¹

Field No(s): Sites A and B (Premises) (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 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: Agriculture

Character of Use: Agricultural, Research

Land Doc. Type: License

Term: 10 years

Rental Rate \$ 0
Annual Rent: \$ 0

¹ Mesonet station footprint is approximately 20' x 20'

BACKGROUND:

The Hawaii Climate Data Portal is an effort by the University of Hawaii to provide streamlined access to high-quality and reliable climate data and information for the State of Hawaii and parts of the Pacific. This includes the production of gridded near-real-time rainfall and temperature maps, as well as other climate data which users can visualize and download. The data for this effort is acquired, in part, by the Hawaii Mesonet network of stations located throughout the islands.

REQUEST:

Applicant requests a license for approximately 800 gross square feet of land for 2 - 400 square foot sites upon which to place scientific equipment (Mesonet stations) to monitor weather and soil conditions on the west side of Kauai (Request).

OPERATIONAL PLAN:

The Request involves the placement of Mesonet Stations on ADC lands to monitor weather, and soil conditions on the west side of Kauai. The data is, and will be, publicly available at [Hawai'i Climate Data Portal](#).

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 is exempt subject to the Comprehensive Exemption List, Exemption Class 5(27), (28), (30): *Basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource.*

DISCUSSION:

If the Request is approved, the Mesonet stations will provide valuable climate, weather, and soil data about the west side of Kauai for ADC and our tenants. The locations were selected in collaboration with ADC, Kekaha Agriculture Association (KAA), and the Applicant in order to provide the best range of data for the west side of Kauai and to not encroach on currently licensed lands or operations. As currently envisioned, there is no impact to ADC's rental income.

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

1. Approve the Request, subject to the following conditions:
 - a. License rents shall be \$ 0 per year; and
 - b. Term shall be for 10 years; and
 - c. Applicant shall notify, and coordinate access to the sites with, ADC and KAA; and
 - d. Executive Director is authorized to execute a right-of-entry agreement to provide the Applicant with interim rights to access the Premises.

Request for approval to issue a license agreement to the University of Hawaii for weather recording purposes in District of Waimea, County of Kauai, State of Hawaii, Tax Map Key No. (4) 1-2-002:001 (por.)
June 26, 2025

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.

Respectfully Submitted,

Lyle Roe

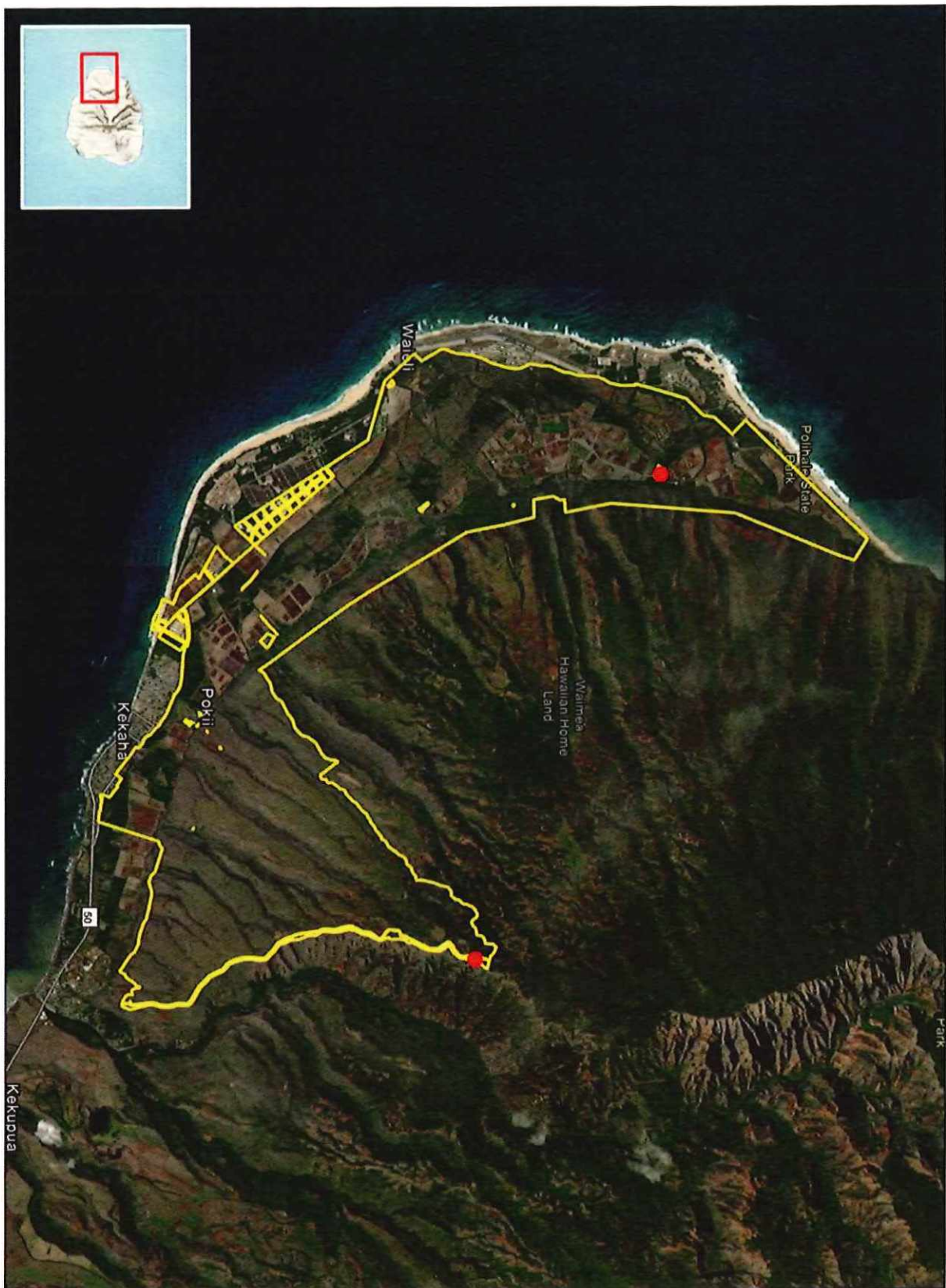
LYLE ROE
Asset Manager

Approved for Submittal:

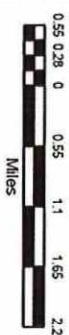


Wendy Gady
Executive Director

Attachment(s):
Exhibit A



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



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071

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-3

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request for approval to refer License Agreement No. LI-GA1714 issued to A & N Farm LLLP to the Department of the Attorney General for possible legal action due to rent and water delinquency, District of Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-012:001 (por.)

Applicant: Agribusiness Development Corporation (ADC)

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

Area: 42.325 gross acres (41.174 tillable)

Field No(s): GA-08 (Premises)

Tax Map Key: (1) 7-1-012:001 (Property)

Land Status: Acquired in fee by the Agribusiness Development Corporation in 2012

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: Agricultural: diversified crop production

Land Doc. Type: License

Term: 35 years (currently in year 5)

Rental Rate \$400 per acre per year
Annual Rent: \$16,469.60

Request for approval to refer License Agreement No. LI-GA1714 issued to A & N Farm LLLP to the Department of the Attorney General for possible legal action due to rent and water delinquency, District of Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-012:001 (por.)
June 26, 2025

BACKGROUND:

The Board (Board) of the Agribusiness Development Corporation approved License Agreement No. LI-GA1714 (License) to A & N Farm LLLP (Licensee) in 2019 for 42.325 gross acres of Lot GA-08 for diversified agriculture purposes for 35 years. The license was effective December 1, 2019.

At various times until present, Licensee has been in arrears for both rent and water payments. Currently, Licensee owes approximately \$16,268.65 for rent and approximately \$7,612.50 for water for a total approximate delinquency of \$23,881.15 as of June 12, 2025 (Exhibit "B").¹

REQUEST:

ADC requests that the Board approve the referral of the License to the Department of the Attorney General for enforcement of the License terms and conditions, and possible termination. (Request)

OPERATIONAL PLAN:

Licensee maintains a diversified farming operation on the Premises and grows, among other crops, papaya, banana, peanuts, ginger, and jicama.

CONSERVATION PLAN:

Licensee has developed a conservation plan, which has been approved by the West Oahu Soil & Water Conservation District and is largely in conformance with that plan.

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 does not trigger an environmental assessment because the action is de minimis, does not have the potential to individually or cumulatively adversely affect the environment, and does not rise to the level of requiring environmental review.

DISCUSSION:

Licensee is not currently at tenant in good standing with ADC due to late rent and water payments. Licensee's arrearages have been a long-standing concern with various attempts to come current. Staff notes that Licensee has also dealt with a rash of equipment theft, produce theft, and property damage which may have affected their cash flow.²

Termination of the License would result in a loss of \$16,469.60 in rental income potential to ADC.

¹ Arrearage amounts do not include service fees and interest.

² The Premises are located directly across from the southern property gate that unauthorized persons were using to access the Property and the Premise. Staff placed boulders at the gate and it is no longer accessible. As of this writing, staff are not aware of any recent theft or property damage incidents on the Premises.

Request for approval to refer License Agreement No. LI-GA1714 issued to A & N Farm LLLP to the Department of the Attorney General for possible legal action due to rent and water delinquency, District of Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-012:001 (por.)
June 26, 2025

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

1. Approve the Request, subject to the following conditions:
 - a. Any subsequent request to terminate the License for default brought to the Board at a later date; and
2. Declare that the Request is de minimis, not having the potential to adversely affect the environment and not rising to the level of requiring environmental review.

Respectfully Submitted,

Lyle Roe

LYLE ROE

Asset Manager

Approved for Submittal:

Wendy Gady

Wendy Gady

Executive Director

Attachment(s):

Exhibit A (map)

Exhibit B (open invoices)



Lot No. GA-08
Galbraith Small Farm Lots
TMK (1) 7-1-012:001 (por.)



Source: For "Small Farm" Owner: S.O. 1024, 1025, & 1026 (Hawaii Department of Land and Natural Resources, Division of Land Management).
This map was prepared by the Department of Land and Natural Resources, Division of Land Management, for the purpose of showing the location of the land parcels shown on the map. It is not intended to be used for any other purpose.
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075

Removed Pages 076-094 due to inaccurate information.

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-4

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request for approval to issue a new revocable permit to The Davey Tree Expert Company for 321.5 square feet of office space in Whitmore Village, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:004 (por.); and to terminate their current Revocable Permit No. RP-W257-23-01

Applicant: The Davey Tree Expert Company (DTE)

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

Area: 321.5 gross square feet

Field No(s): Office A, C (located in WW-E) (Premises)

Tax Map Key: (1) 7-1-002:004 (Property)

Land Status: Acquired in fee by the Agribusiness Development Corporation in 2015

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: Commercial: office space for company business

Land Doc. Type: Revocable Permit

Term: Month-to-month (annual renewal)

Rental Rate: \$0.60 per square foot per month (office)
Annual Rent: \$2,314.80

Request for approval to issue a new revocable permit to The Davey Tree Expert Company for 321.5 square feet of office space in Whitmore Village, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:004 (por.); and to terminate their current Revocable Permit No. RP-W257-23-01
June 26, 2025

BACKGROUND:

The Board (Board) of the Agribusiness Development Corporation (ADC) approved the current Revocable Permit No. RP-W257-23-01 at their meeting on June 15, 2023 for Office A, Office C, and 30,000 square feet of parking-storage area.¹

In Spring 2024, ADC began notifying tenants in the master planned footprint of the Central Oahu Agriculture and Food Hub project, one of which was DTE, that they had to relocate due to Phase 1 work which was slated to begin in mid-2025. They subsequently found additional space for parking and storage and have removed all of their equipment from the Premises.

REQUEST:

DTE requests that the Board approve a new revocable permit for only Office A and Office C located in Building WW-E (see Exhibit "A") (Request).

OPERATIONAL PLAN:

Permittee currently utilizes the Premises for office and meeting space.

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 does not trigger an environmental assessment because the action is de minimis, does not have the potential to individually or cumulatively adversely affect the environment, and does not rise to the level of requiring environmental review.

DISCUSSION:

The Davey Tree Expert Company is a tenant in good standing with ADC, current on all rents and other permit obligations. This request represents a necessary loss of \$36,000/year in rental income to ADC.

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

1. Approve the Request, subject to the following conditions:
 - a. New permit shall be effective June 1, 2025; and
 - b. Rental rate shall be \$0.60/square foot/month; and
 - c. Revocable Permit No. RP-W257-23-01 shall terminate upon execution of the new permit; and

¹ The prior permit RP-W257-21-01, which included one of the open-air warehouses in Whitmore was terminated due to the discovery of lead and asbestos and DTE relocated to the 30,000 sq. ft. open-space location under RP-W257-23-01.

Request for approval to issue a new revocable permit to The Davey Tree Expert Company for 321.5 square feet of office space in Whitmore Village, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002 004 (poi), and to terminate their current Revocable Permit No. RP-W257-23-01
June 26, 2025

2. Declare that the Request is de minimis, not having the potential to individually or cumulatively adversely affect the environment and not rising to the level of requiring environmental review.

Respectfully Submitted,

Lyle Roe

LYLE ROE

Asset Manager

Approved for Submittal:



Wendy Gady

Executive Director

Attachment(s):
Exhibit A (map)

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-5

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request for approval to issue a new revocable permit to Davey Tree Surgery Company for 115.5 square feet of office space in Whitmore Village, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:004 (por.); and to terminate their current Revocable Permit No. RP-W257-23-02

Applicant: Davey Tree Surgery Company (DTS)

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

Area: 115.5 gross square feet

Field No(s): Office B (located in WW-E) (Premises)

Tax Map Key: (1) 7-1-002:004 (Property)

Land Status: Acquired in fee by the Agribusiness Development Corporation in 2015

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: Commercial: office space for company business

Land Doc. Type: Revocable Permit

Term: Month-to-month (annual renewal)

Rental Rate: \$0.60 per square foot per month
Annual Rent: \$831.60

Request for approval to issue a new revocable permit to Davey Tree Surgery Company for 115.5 square feet of office space in Whitmore Village, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:004 (por.); and to terminate their current Revocable Permit No. RP-W257-23-02
June 26, 2025

BACKGROUND:

The Board (Board) of the Agribusiness Development Corporation (ADC) approved the current Revocable Permit No. RP-W257-23-02 at their meeting on June 15, 2023 for Office B and 6,000 square feet of parking-storage area.¹

In Spring 2024, ADC began notifying tenants in the master planned footprint of the Central Oahu Agriculture and Food Hub project, one of which was DTS, that they had to relocate due to Phase 1 work which was slated to begin in mid-2025. They subsequently found additional space for parking and storage and have removed all of their equipment from the Premises.

REQUEST:

DTS requests that the Board approve a new revocable permit for only Office B located in Building WW-E (see Exhibit "A") (Request).

OPERATIONAL PLAN:

Permittee currently utilizes the Premises for office and meeting space.

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 does not trigger an environmental assessment because the action is de minimis, does not have the potential to individually or cumulatively adversely affect the environment, and does not rise to the level of requiring environmental review.

DISCUSSION:

Davey Tree Surgery Company is a tenant in good standing with ADC, current on all rents and other permit obligations. This request represents a necessary loss of \$7,200/year in rental income to ADC.

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

1. Approve the Request, subject to the following conditions:
 - a. New permit shall be effective June 1, 2025; and
 - b. Rental rate shall be \$0.60/square foot/month; and
 - c. Revocable Permit No. RP-W257-23-02 shall terminate upon execution of the new permit; and

¹ The prior permit RP-W257-21-02, which included one of the open-air warehouses in Whitmore was terminated due to the discovery of lead and asbestos and DTS relocated to the 6,000 sq. ft. open-space location under RP-W257-23-02.

Request for approval to issue a new revocable permit to Davey Tree Surgery Company for 115.5 square feet of office space in Whitmore Village, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-002:004 (por.); and to terminate their current Revocable Permit No. RP-W257-23-02
June 26, 2025

2. Declare that the Request is de minimis, not having the potential to individually or cumulatively adversely affect the environment and not rising to the level of requiring environmental review.

Respectfully Submitted,

Lyle Roe

LYLE ROE
Asset Manager

Approved for Submittal:

Wendy Gady

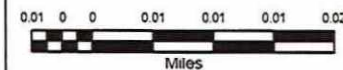
Wendy Gady
Executive Director

Attachment(s):
Exhibit A (map)



Office B (Bldg WW-E)
115.5 square feet

TMK (1) 7-1-002:004 (por.)



Source: Esri, DeLorme, Garmin, IGN, NOAA, USGS, & OpenStreetMap contributors, and the GIS User Community. This work is licensed under the Esri Master License Agreement. View Summary | View Terms of Use & Export. This layer is not intended to be used in a report file for offline. Esri, 2002. This map was developed by the Air Business Development Corporation. State of Hawaii.

STATE OF HAWAII
**AGRIBUSINESS DEVELOPMENT
CORPORATION**

E-6

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request for approval to issue a license agreement to Hawaii Sustainable Agricultural Products, LLC for 234.031 gross acres, more or less, 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

Applicant: Hawaii Sustainable Agricultural Products, LLC

Area: 234.031 gross acres (162.271 usable acres)

Field No(s): PU-12, PU-13

Tax Map Key: (1) 6-4-004:008; and :006 (Property) (Exhibit B)

Land Status: Acquired in fee by the Agribusiness Development Corporation in 2017

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: Diversified Agriculture

Land Doc. Type: License

Term: 35 years

Rental Rate Starting at \$100-\$200/acre/year

Request for approval to issue a license agreement to Hawaii Sustainable Agricultural Products, LLC for 234.031 gross acres, more or less, 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.
June 26, 2025

BACKGROUND:

On March 4, 2021, the Agribusiness Development Corporation (ADC) issued a Request for Applications for nearly 1,500 acres of undeveloped agricultural land on the island of Oahu. ADC received over thirty applications for the five parcel locations, among them were applications for multiple properties from Hawaii Sustainable Agriculture Products, LLC (HSAP).

The following information about the subject property was listed in the Request for Applications dated March 4, 2021:

3. Whitmore Lands (North), Kamehameha Hwy., TMK(s) 6-4-004-006 & 008

- A. Size: 234 Gross Acres, approximately 162 acres is usable for diversified farming
- B. Location: Whitmore Village, Oahu, Kamehameha Hwy access to the property is currently blocked by concrete jersey barriers. Access road via Saipan Rd is in poor condition due to muddy and uneven road.
- C. Water Source: Dole's Tanada Reservoir (surface water) located 200 feet more or less from the property line. Licensee will need to procure an agreement from Dole to use water from Tanada Reservoir. The Licensee is also responsible for the development of the irrigation water infrastructure, which includes a pump, filter station, waterlines, and a reservoir/water storage, and other equipment needed to transport water from Dole's reservoir to the site.
- D. Condition of property: Property is fairly clear of debris and rubbish, however, it is overgrown with grass and trees. The land will require clearing before any agricultural activities can begin and will be issued "as is." The Licensee is responsible for developing the land in accordance with applicable laws and license provisions.

The following are the general license provisions for diversified agriculture:

- Starting at \$100-\$200/acre/year
- Up to 35-year term
- Must submit an approved conservation plan
- Licensee is responsible for the development of the water infrastructure
- Licensee is responsible for obtaining approvals or permits for ingress/egress
- No subletting, except as approved by ADC
- No permanent structure or residential dwellings shall be allowed
- Rent credit for improvements to the land may apply, if approved by ADC

The following are the general license provisions for cattle ranching:

- Starting at \$11-\$15/acre/year
- 5 years with an option to renew
- Licensee is required to install cattle fencing at its own cost
- Licensee is responsible for the development of the water infrastructure
- Licensee is responsible for obtaining approvals or permits for ingress/egress
- No subletting, except as approved by ADC

Request for approval to issue a license agreement to Hawaii Sustainable Agricultural Products, LLC for 234.031 gross acres, more or less, 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.
June 26, 2025

- No permanent structure or residential dwellings shall be allowed
- Rent credit for improvements to the land may apply, if approved by ADC

ADC's Board of Directors (Board) subsequently ranked all the applicants and approved six of the highest-scoring applicants to farm the five parcel locations. On September 29, 2021, the Board selected HSAP to farm the subject property.

On October 8, 2021, ADC issued a Right-of-Entry (ROE) to allow HSAP to access the property prior to the issuance of a land license to conduct field work consisting of securing the property, reasonable land preparation, soil conservation planning, and crop field tests. Under the ROE, HSAP completed their soil conservation plan and procured commercial liability insurance. Access to the property has been available to HSAP since October 8, 2021 at no cost. The ROE advised HSAP that:

Any cost and expense incurred with respect to the Fieldwork shall be borne by HSAP;

The ROE was to expire at the completion of the Fieldwork, until a long-term agreement was reached;

HSAP shall provide ADC with no less than two weeks prior notice of commencement of any Fieldwork activity and to coordinate the activity with ADC;

HSAP shall be responsible for coordinating access through locked gates with ADC;

HSAP shall maintain comprehensive general liability insurance, comprehensive automobile liability insurance for all owned, hired, or non-owned vehicles, and workers' compensation insurance; and

HSAP shall comply with all federal, state, and county laws and authorities.

In late 2022, HSAP contacted Dole Food Company, Inc. (Dole) to seek water service to the Property. Dole declined to issue a water facility use agreement to HSAP directly, preferring that ADC, as the landowner, be the entity responsible for payment.

In February 2023, ADC began exchanging proposed water use agreements with Dole. By July 2023, ADC and Dole had created a 10-page document entitled "WATER FACILITY AGREEMENT", which after a few more drafts, was approved for signature by ADC on August 3, 2023.

Dole submitted an amended version of the document to ADC on August 10, 2023. ADC objected to the changes and asked Dole to revert to the August 3, 2023, version. ADC did not hear from Dole until October 16, 2023, when Dole sent another amended version of the document to ADC. This version was likewise unacceptable to ADC. ADC asked Dole to revert to the August 3, 2023, version. On November 7, 2023, Dole sent another amended version of the document to ADC, which ADC also found unacceptable. ADC provided comments to Dole on suggested

Request for approval to issue a license agreement to Hawaii Sustainable Agricultural Products, LLC for 234.031 gross acres, more or less, 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.

June 26, 2025

changes. It should be noted that each time Dole amended the proposed Water Facility Agreement, Dole requested additional concessions from ADC. On December 19, 2023, ADC contacted Dole to ask if the proposed changes were acceptable. ADC contacted Dole again on January 22, 2024, to inquire on the status of the proposed Water Facility Agreement, at which time Dole professed to be working on getting the final draft approved. The Water Facility Agreement was executed on May 1, 2024.

On September 3, 2024, ADC informed HSAP that ADC and Dole had finalized the water use agreement and the contractor was proceeding with installation of the gate on Kamehameha Hwy.

On January 23, 2025, ADC sent a letter to HSAP asking if HSAP was still interested in a land license for the Wahiawa (North) parcel as ADC had received inquiries about the availability of TMK(s) 6-4-004-006 & 008. By way of letter dated January 31, 2025, HSAP indicated it was still interested in pursuing the license.

In early February 2025, HSAP commented on some of the changes that occurred during the last five years. HSAP noted that Dole had increased the cost of water delivery, the property was entirely covered by vegetation including invasive trees that must be removed before irrigation systems would be installed, and the tillable farm area advertised as being 162 acres was actually closer to 123 acres. HSAP asked if rent credit was available to offset the cost of clearing the land, which was anticipated to take an additional eighteen to twenty-four months.

At the March 3rd, 2025 Board meeting, the ADC Board approved the new Oahu license fee rate of \$1,800 per acre per year. At the same meeting, HSAP presented its farm plan to the Board. HSAP asked for a thirty-five-year lease and five-year rent moratorium. HSAP noted the increased water rate, the reduced amount of tillable land, and the land having been fallow since 2008 has hampered any crop production. Based on soil analysis done in 2022, the land was acidic and required remediation. HSAP intends to clear the land at a rate of twenty percent a year, which would not bring the land into full production for five years.

On May 29, 2025, ADC sent a letter (See Exhibit A) containing a recitation of the facts that lead to the delay in issuing a land license.

REQUEST:

HSAP's request is for a thirty-five-year license agreement for 123 usable acres that includes a water use agreement between ADC and HSAP, with the license fee set at the original amount of \$100 to 200 per acre, per year, and a five-year rent moratorium.

OPERATIONAL PLAN:

HSAP wants to determine what crops to grow based on the demand and market changes rather than being required to identify crops to be grown in a farm plan. Having a five-year phase out approach will allow HSAP to be profitable and avoid upfront costs for clearing the land. The five-year rent moratorium will allow the land to be cleared and irrigation infrastructure to be installed.

Request for approval to issue a license agreement to Hawaii Sustainable Agricultural Products, LLC for 234.031 gross acres, more or less, 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.
June 26, 2025

CONSERVATION PLAN:

HSAP is required to obtain a soil conservation plan.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT COMPLIANCE:

N/A

REMARKS & DISCUSSION:

According to HSAP's March 3rd, 2025 presentation and written proposal dated April 9, 2025, HSAP asserted that:

- 1) The delay in executing the License Agreement was caused by ADC.
- 2) HSAP believes the license fee should be the amount advertised in the solicitation for applicants on March 10, 2021, which was \$100-\$200 per acre, per year. The new Oahu license fee of \$1,800 per acre per year, which was approved at the March 3, 2025 Board meeting, should not apply.
- 3) HSAP wants to determine what crops to grow based on the demand and market changes rather than being required to identify crops to be grown in a farm plan.
- 4) Having a five-year phase-out approach by clearing and putting 20% of the tillable land into production each year will allow HSAP to be profitable and avoid upfront costs for clearing the land.
- 5) A five-year rent moratorium will allow the land to be cleared and irrigation infrastructure to be installed. A rent moratorium will reduce costs during the five-year phase out period and enable HSAP to have a sustainable and successful business venture.

ADC informed HSAP that the purpose of the right-of-entry was to allow the selected land applicant an opportunity to prepare the land for production. Once the land was ready for production, the license agreement would be issued and a licensee fee assessed. Any project proposal should be submitted to the Board for approval. The purpose of rent relief was to allow the Licensee to invest in the property for such things as water infrastructure or creation of a reservoir. The decision to approve rent credit lies solely with the Board.

It is worth noting that of the five ROEs issued pursuant to the March 2021 land solicitation, only two parcels have been licensed due to issues receiving water. The Law Brothers (230 acres) were able to proceed to crop production through use of a reservoir. Ohana Hui Ventures (416 acres) were able to proceed to crop production through use of water tanks and access to City and County of Honolulu, Board of Water Supply water lines. Cedar Grove (511 acres) and Malama Aina Collective (91 acres) asked to have their ROEs' rescinded due to the inadequate supply of water.

RECOMMENDATION(S):

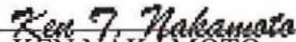
Based on the foregoing, staff recommends that the Board:

Request for approval to issue a license agreement to Hawaii Sustainable Agricultural Products, LLC for 234.031 gross acres, more or less, 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.

June 26, 2025

- 1) Determine whether it is in the best interest of ADC to enter into a License Agreement with HSAP.
- 2) If the Board recommends that ADC enter into a License Agreement with HSAP:
 - a. Determine the license fee (\$100-\$200 per acre/per year, or \$1,800 per acre/per year, or some other amount).
 - b. Determine the term of the License Agreement (35 years or less).
 - c. Determine the acreage and how the acreage is to be assessed (is the usable acreage 123 useable acres as proposed by HSAP, or 162 useable acreages as proposed by ADC; should a surveyor be hired to determine the acreage; should the unusable acreage be assessed as untillable; should HSAP be offered less acreage that will lessen the amount of land needing to be cleared).
 - d. Determine how the water facility agreement should be implemented (should ADC be reimbursed for the entire Dole water facility use expenditures charged by Dole, and a processing fee to cover the cost of billing by ADC, or some lesser amount due to the increase caused by delay, knowing that such approval will set a precedent).
 - e. Determine whether rent credit is warranted; if warranted for how long; and, for what purposes (water infrastructure, ground clearing, soil rehabilitation).

Respectfully Submitted,

_____

KEN NAKAMOTO

Project Manager

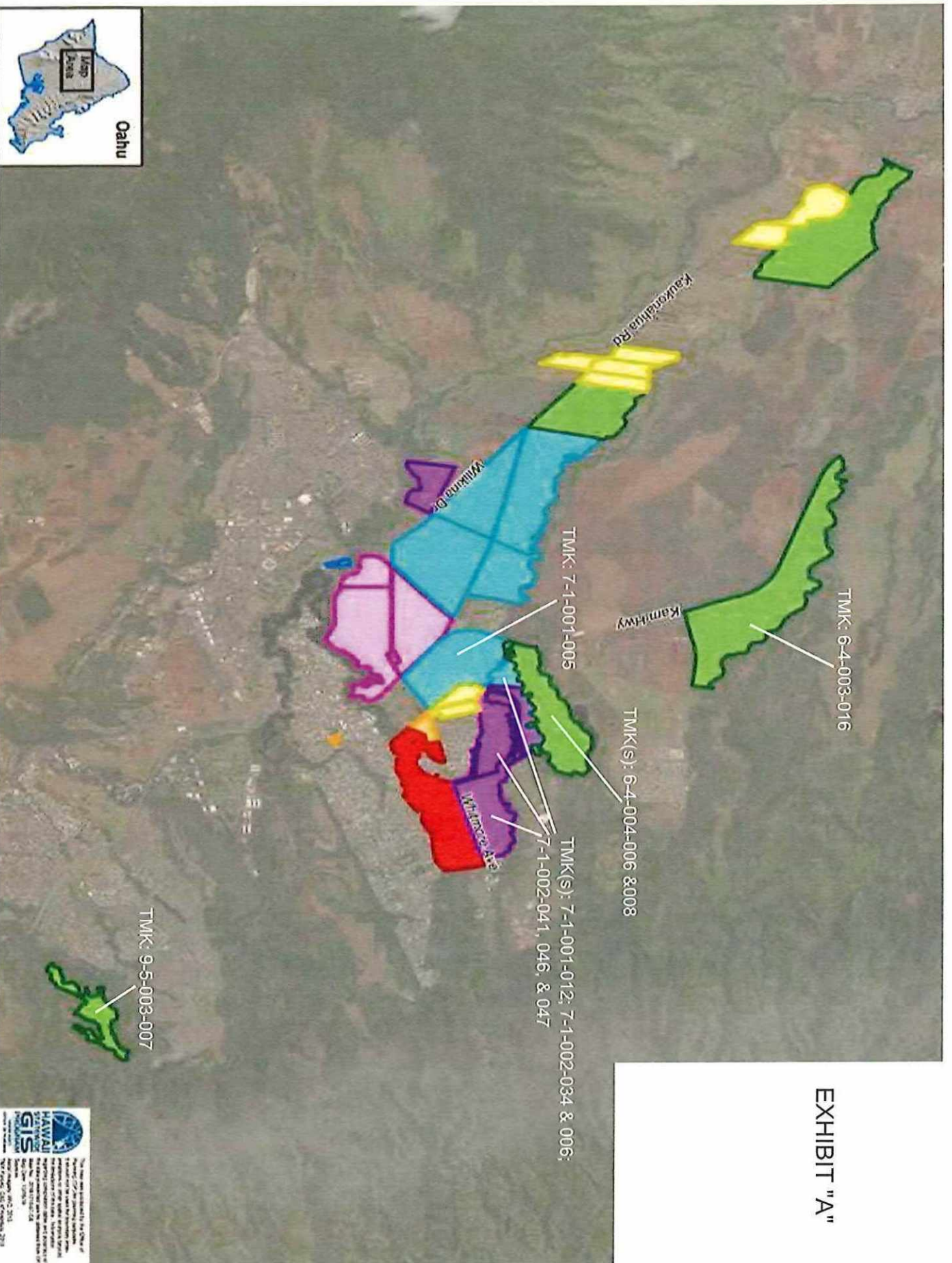
Approved for Submittal:

_____

Wendy Gady

Executive Director

EXHIBIT "A"



JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



WENDY L. GADY
Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
235 S. Beretania Street, Suite 205
Honolulu, HI 96813
Phone: (808) 586-0186 Fax: (808) 586-0189

May 29, 2025

VIA EMAIL to nick.azari@arionenergy.com & U.S. mail

Dr. Nick Azari
Hawaii Sustainable Agricultural Products, LLC
500 Ala Moana Blvd., Suite 7400
Honolulu, HI 96813

Re: Proposed License Agreement between the State of Hawai'i Agribusiness Development Corporation (ADC) and Hawaii Sustainable Agricultural Products, LLC (HSAP) for Agricultural Land located at TMK (1) 6-4-004:006 and (1) 6-4-004:008 (Property)

Dear Dr. Azari,

Thank you for providing the presentation to the ADC Board of Directors (Board) at the March 3, 2025 meeting where you explained the delay in preparing the Property for cultivation and HSAP's plans for the future. The Board will be deciding on the proposed license agreement for the Property at its next meeting to be held on June 19, 2025.

According to your March 3, 2025 presentation and written proposal dated April 9, 2025, HSAP asserted that:

- 1) The delay in executing the License Agreement was caused by ADC.
- 2) HSAP believes the license fee should be the amount advertised in the solicitation for applicants on March 10, 2021, which was \$100-\$200 per acre, per year. The new Oahu license fee of \$1,800 per acre per year, which was approved at the March 3, 2025 Board meeting, should not apply.
- 3) HSAP wants to determine what crops to grow based on the demand and market changes rather than being required to identify crops to be grown in a farm plan.

- 4) Having a five-year phase-out approach by clearing and putting 20% of the tillable land into production each year will allow HSAP to be profitable and avoid upfront costs for clearing the land.
- 5) A five-year rent moratorium will allow the land to be cleared and irrigation infrastructure to be installed. A rent moratorium will reduce costs during the five-year phase out period and enable HSAP to have a sustainable and successful business venture.

Please advise immediately if this recitation of HSAP's position is in error.

At the June 19, 2025 Board meeting, ADC is prepared to submit the following facts:

- 1) On September 29, 2021, HSAP was the applicant selected to license the Whitmore – North property with 234 gross acres/162 useable acres.
- 2) On October 8, 2021, ADC and HSAP executed a right-of-entry (ROE) for the Property to conduct “fieldwork”. Fieldwork consisted of securing the property, reasonable land preparation, soil conservation planning, and crop field tests.
- 3) Prior to execution of the ROE, HSAP was informed and aware that:
 - a. The selected applicant must submit an approved soil conservation plan to ADC.
 - b. The selected applicant was responsible for the development of water infrastructure, which included pump, filter station, waterlines, and a reservoir/water storage, and other equipment needed to transport water from Dole's reservoir to the site.
 - c. The selected applicant was responsible for obtaining all water use permits and/or water use agreements.
 - d. The water source for the Property was Dole's Tanada Reservoir.
 - e. The Property required clearing before any agricultural activities could begin.
 - f. The Property was to be licensed “as is”.
 - g. The selected applicant was responsible for coordinating with ADC to access the Property through locked gates.

- h. The selected applicant must maintain comprehensive general liability insurance, comprehensive automobile liability insurance for all owned, hired, or non-owned vehicles, and workers' compensation insurance.
 - i. The ROE would expire at the completion of the Fieldwork at which time a long-term License Agreement for up to thirty-five years would be negotiated.
- 4) ADC received a Certificate of Liability Insurance dated May 13, 2022 for commercial general liability. No further proof of insurance has been received.
- 5) On or about October 21, 2022, HSAP provided ADC with a copy of its approved Soil Conservation Plan.
- 6) In response to an inquiry by HSAP, on November 6, 2022, ADC reaffirmed that the only available water source for the Property was Dole's Tanada Reservoir. ADC encouraged HSAP to contact Dole and make water use arrangements.
- 7) On February 13, 2023, HSAP notified ADC that Dole wanted to enter into a water infrastructure use agreement with ADC rather than HSAP. This is something ADC does not normally do and would set a precedence going forward.
- 8) ADC contacted Dole and was informed that Dole would not enter into an agreement with HSAP. Dole would only supply water to the Property if ADC was responsible for the waterline charges incurred by HSAP. Again, this is something ADC does not normally do.
- 9) As a gesture of good will, in February 2023, ADC agreed to enter into a contractual agreement with Dole to enable HSAP to receive water from the Tanada Reservoir. To accomplish this, ADC was required to enter into a water facility use agreement with Dole.
- 10) Beginning on February 14, 2023, ADC and Dole began negotiating the terms of a water facility use agreement.
- 11) On February 24, 2023, HSAP and ADC agreed to postpone issuance of the License Agreement until after water service was available. HSAP would continue to access the property via ROE for continued Fieldwork and once water service was available HSAP was to request approval of the License Agreement.

- 12) On April 13, 2023, ADC informed HSAP that Dole had identified a water valve on the Property.
- 13) On May 25, 2023, ADC informed HSAP that the condition of the water valve on the Property was unknown and may require some rehabilitation. ADC further informed HSAP that Dole would not guarantee the availability of any amount of water.
- 14) It is unknown if HSAP located the water valve, or if located, took any action to rehabilitate the water valve in preparation for receiving water from Dole.
- 15) By late March 2024, after over a year of back and forth between ADC and Dole, ADC finally received an acceptable Water Facility Agreement from Dole, which was executed by ADC and Dole on April 4, 2024; effective May 1, 2024.
- 16) Through the Water Facility Agreement, ADC contracted with Dole for an initial user rate of \$0.60 per thousand gallons of ditch water; and \$0.80 per thousand gallons of pumped water, to be billed monthly. The price is subject to adjustment every January 1st.
- 17) On September 3, 2024, ADC reminded HSAP that the water use agreement was finalized.
- 18) On January 23, 2025, ADC asked HSAP if they were still interested in the Property.
- 19) On January 31, 2025, HSAP indicated to ADC that it was still interested in pursuing the License Agreement.
- 20) On February 4, 2025, HSAP informed ADC that the price Dole quoted in 2022 was 50% less than Dole was charging ADC, and the increase would make the economics of the project challenging.

At the Board meeting, the Board will be asked to determine:

- 1) Whether it is in the best interest of ADC to enter into a License Agreement with HSAP.
- 2) If the Board recommends that ADC enter into a License Agreement with HSAP:
 - a. Determine the license fee (\$100-\$200 per acre/per year, or \$1,800 per acre/per year, or some other amount).

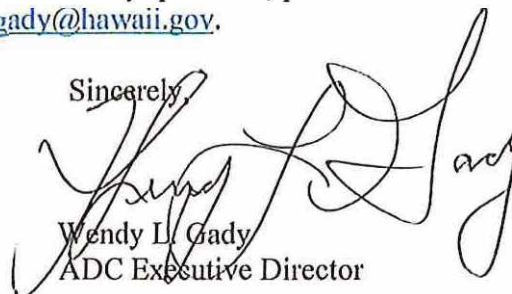
- b. Determine the term of the License Agreement (35 years or less).
- c. Determine the acreage and how the acreage is to be assessed (is the usable acreage 123 useable acres as proposed by HSAP, or 162 useable acreages as proposed by ADC; should a surveyor be hired to determine the acreage; should the unusable acreage be assessed as untillable; should HSAP be offered less acreage that will lessen the amount of land needing to be cleared).
- d. Determine how the water facility agreement should be implemented (should ADC be reimbursed for the entire Dole water facility use expenditures charged by Dole, and a processing fee to cover the cost of billing by ADC, or some lesser amount due to the increase caused by delay, knowing that such approval will set a precedent).
- e. Determine whether rent credit is warranted; if warranted for how long; and, for what purposes (water infrastructure, ground clearing, soil rehabilitation).

It is worth noting that of the five ROEs issued pursuant to the March 10, 2021 land solicitation, only two parcels have been licensed due to issues receiving water. The Law Brothers (230 acres) were able to proceed to crop production through use of a reservoir. Ohana Hui Ventures (416 acres) were able to proceed to crop production through use of water tanks and access to City and County of Honolulu, Board of Water Supply water lines. Cedar Grove (511 acres) and Malama Aina Collective (91 acres) asked to have their ROEs' rescinded due to the inadequate supply of water.

Additionally, a gate has been installed at the Kamehameha Highway entrance to the Property. Based on previous experience in Wahiawa, a gated entrance will not remain intact for long in the absence of daily agricultural activity occurring on the Property.

Please be available to address ADC's recitation of the facts set forth above at the Board meeting on Thursday, June 19, 2025, beginning at 9:00 A.M. The meeting agenda will be available on-line at <https://dbedt.hawaii.gov/adc/meetings/> by close of business on Friday, June 13, 2025. Should you have any questions, please do not hesitate to contact me at (808) 586-0186 or wendy.l.gady@hawaii.gov.

Sincerely,



Wendy L. Gady
ADC Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-7

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request to consent to the cancellation of Transfer Certificate of Title No. 498504 and issuance of new Certificates of Title including for Lot 12019 as shown on Map 888 of Land Court Application 1069 in Honouliuli, City and County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 9-1-031:037; :026; :025; :001

Applicant: Agribusiness Development Corporation (ADC)

Authority: Section 501-85, Hawaii Revised Statutes

Tax Map Key: (1) 9-1-031:037 – Lot 12019 (Premises)

Land Status: Set aside to the Agribusiness Development Corporation by Governor's Executive Order No. 4465 for *Agricultural Purposes*

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: Urban
CZO: I-2 Intensive Industrial

Request to consent to the cancellation of Transfer Certificate of Title No. 498504 and issuance of new Certificates of Title including for Lot 12019 as shown on Map 888 of Land Court Application 1069 in Honouliuli, City and County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 9-1-031:037; :026; :025; :001
June 26, 2025

BACKGROUND:

Governor's Executive Order No. 3801 (EO No. 3801) dated October 15, 1999, set aside property in Honouliuli, Ewa, Oahu, Hawaii, identified as Tax Map Key Nos. (1) 9-1-031:025 and :026, for Agricultural Park purposes, to be under the control and management of the State of Hawaii, Department of Agriculture (HDOA). EO No. 3801 set aside two lots to HDOA. Part 1 being Lot 12020, as shown on Map 888 of Land Court Application 1069, containing 3.769 acres subject to encumbrances, and covered by Transfer Certificate of Title No. 498504. Part 2 being Lot 12021, as shown on Map 888 of Land Court Application 1069, containing 6.685 acres subject to encumbrances, and covered by Transfer Certificate of Title No. 498504.

Governor's Executive Order No. 4465 (EO No. 4465) dated August 21, 2014, set aside property in Honouliuli, Ewa, Oahu, Hawaii, identified as Tax Map Key No. (1) 9-1-031:037, for Agricultural Purposes, to be under the control and management of the State of Hawaii, Agribusiness Development Corporation (ADC). EO No. 4465 set aside Lot 12019, as shown on Map 888 of Land Court Application 1069, containing 3.630 acres subject to encumbrances, and covered by Transfer Certificate of Title No. 498504. See Exhibit A.

Governor's Executive Order No. 4584 (EO No. 4584) dated May 15, 2019, set aside property in Honouliuli, Ewa, Oahu, Hawaii, identified as Tax Map Key No. (1) 9-1-031:001, for Agricultural Purposes, to be under the control and management of HDOA. EO No. 4584 set aside Lot 12022, as shown on Map 888 of Land Court Application 1069, containing 110.106 acres subject to encumbrances, and covered by Transfer Certificate of Title No. 498504.

Lots 12019, 12020, 12021, and 12022 are all included in Transfer Certificate of Title 498504. All four lots are subject to lease/license agreements between HDOA/ADC and private parties. Lot 12019 is subject to Lease No. LE-KO1501 between ADC and Baker Commodities, Inc.

The State of Hawaii, Department of Land and Natural Resources (DLNR) on behalf of the State of Hawaii, seeks to petition the Land Court to cancel Transfer Certificate of Title 498504 and ask that one certificate of title be issued for each lot. DLNR and HDOA plan to subdivide the property. The set aside of Lot 12019 to ADC under EO No. 4465, and Lease No. LE-KO1501 between ADC and Baker Commodities, Inc. will not be affected.

REQUEST:

Staff requests that the Board of Directors (Board) provide their consent to the cancellation of Transfer Certificate of Title No. 498504 and authorize the Deputy Attorney General to work with the Parties to effectuate the cancellation and have separate certificates issued for the affected property (Request).

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 does not trigger an environmental assessment because the action is de minimis, does not have the potential to individually or cumulatively

Request to consent to the cancellation of Transfer Certificate of Title No 498504 and issuance of new Certificates of Title including for Lot 12019 as shown on Map 888 of Land Court Application 1069 in Honouliuli, City and County of Honolulu, State of Hawaii, Tax Map Key Nos (1) 9-1-031 037; 026; 025; 001
June 26, 2025

adversely affect the environment, and does not rise to the level of requiring environmental review.

DISCUSSION:

The process to deregister, or cancel, a land court transfer certificate of title is straight-forward as proscribed by law and staff does not currently anticipate much difficulty. The project work will be accomplished by DLNR attorneys.

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

1. Approve the Request.
2. Declare that the Request is de minimis, not having the potential to individually or cumulatively adversely affect the environment and not rising to the level of requiring environmental review.

Respectfully Submitted,

Lyle Roe

LYLE ROE

Asset Manager

Approved for Submittal:

Wendy Gady

Wendy Gady

Executive Director

Attachment(s):

Exhibit A Governor's Executive Order No. 4465

McGee



STATE OF HAWAII
OFFICE OF ASSISTANT REGISTRAR
RECORDED

August 27, 2014 8:02 AM

Doc No(s) T-9004275
on Cert(s) 498504
Issuance of Cert(s)



1 1/1 SMC
B-32512476

/s/ NICKI ANN THOMPSON
ASSISTANT REGISTRAR

S

LAND COURT SYSTEM)
Return by Mail () Pickup (✓) To: REGULAR SYSTEM

DEPT. OF LAND AND NATURAL RESOURCES
LAND DIVISION

Total Number of Pages: 6
Tax Map Key No. (1)9-1-031:037

FROM: STATE OF HAWAII
BOARD OF LAND AND NATURAL RESOURCES

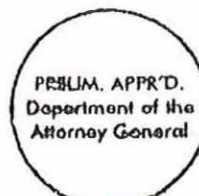
TO: AGRIBUSINESS DEVELOPMENT CORPORATION,
a public body corporate and politic and an
instrumentality and agency of the State of Hawaii
235 South Beretania Street, Room 205
Honolulu, Hawaii 96813

EXECUTIVE ORDER NO. 4465

SETTING ASIDE LAND FOR PUBLIC PURPOSES

BY THIS EXECUTIVE ORDER, I, the undersigned, Governor of the State of Hawaii, by virtue of the authority in me vested by Section 171-11, Hawaii Revised Statutes, as amended, and every other authority me hereunto enabling, do hereby order that the public land and improvements hereinafter described be, and the same is, hereby set aside for the following public purposes:

FOR AGRICULTURAL PURPOSES, to be under the control and management of the Agribusiness Development Corporation, a public body corporate and politic and an instrumentality and agency of the State of Hawaii, being that parcel of land situate at Honouliuli, Ewa, Oahu, Hawaii, identified as "Agricultural Purposes Site," being all of Lot 12019 as shown on Map 888 of



Land Court Application 1069 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, containing an area of 3.630 acres, covered by Transfer Certificate of Title No. 498504 issued to the State of Hawaii, more particularly described in Exhibit "A" and delineated on Exhibit "B," both of which are attached hereto and made parts hereof, said exhibits being respectively, a survey description prepared by the Survey Division, Department of Accounting and General Services, State of Hawaii, being designated C.S.F. No. 25,381 and dated July 8, 2014, and as shown on a copy of Land Court Map 888.

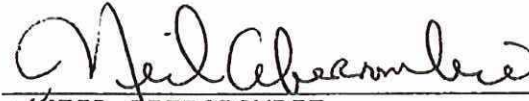
This executive order is subject to the State of Hawaii's right to designate a non-exclusive access and utility easement of thirty (30) feet wide, more or less, between Lot 12020 and Lot 12021, both of said lots are as shown on Map 888 of Land Court Application 1069, Transfer Certificate of Title No. 498504. This right to designate said easement shall be in favor of the State of Hawaii, Board of Land and Natural Resources. The State of Hawaii, Board of Land and Natural Resources reserves the right to grant easements upon said easement. The right to designate said easement for access and utility purposes is to benefit Lot 12022 of said map and land court application, being designated Tax Map Key No. (1) 9-1-031:001.

SUBJECT, HOWEVER, to the condition that upon cancellation of this executive order or in the event of non-use or abandonment of the premises or any portion thereof for a continuous period of one (1) year, or for any reason whatsoever, Agribusiness Development Corporation shall, within a reasonable time, restore the premises to a condition satisfactory and acceptable to the Department of Land and Natural Resources, State of Hawaii.

SUBJECT, FURTHER, to disapproval by the Legislature by two-thirds vote of either the Senate or the House of Representatives or by majority vote of both, in any regular or special session next following the date of this Executive Order.

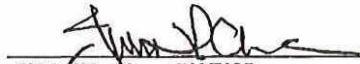
This executive order does not authorize the recipient of the set aside to sell or exchange or otherwise relinquish the State of Hawaii's title to the subject public land.

IN WITNESS WHEREOF, I have hereunto set my hand and
caused the Great Seal of the State of Hawaii to be affixed.
Done at the Capitol at Honolulu this 21st day of
August 2014.



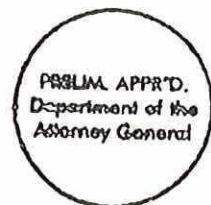
NEIL ABERCROMBIE
Governor of the State of Hawaii

APPROVED AS TO FORM:



JULIE H. CHINA
Deputy Attorney General

Dated: August 4, 2014



STATE OF HAWAII

Office of the Lieutenant Governor

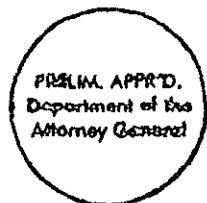
THIS IS TO CERTIFY That the within is a true copy of
Executive Order No. 4465 setting aside land for public
purposes, the original of which is on file in this office.

IN TESTIMONY WHEREOF, the Lieutenant
Governor of the State of Hawaii, has
hereunto subscribed his name and caused
the Great Seal of the State to be affixed.

S. Tsutsui

SHAN S. TSUTSUI
Lieutenant Governor of the State of Hawaii

DONE in Honolulu, this 22nd day of
August, A.D. 2014





STATE OF HAWAII
SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
HONOLULU

C.S.F. No. 25,381

July 8, 2014

AGRICULTURAL PURPOSES SITE

Honouliuli, Ewa, Oahu, Hawaii

Being all of Lot 12019 as shown on Map 888 of Land Court Application 1069 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii containing an AREA OF 3.630 ACRES covered by Transfer Certificate of Title No. 498504 issued to the State of Hawaii (Land Office Deed S-28204).

Lot 12019 shall have access across Lot 3163 as provided by Land Court Order 127022.

SUBJECT, HOWEVER, to any and all encumbrances that may be noted on Transfer Certificate of Title No. 498504.

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

By: *Gerald Z. Yonashiro*
Gerald Z. Yonashiro
Land Surveyor tkt

Compiled from Land Court
Records.



EXHIBIT "A"

LAND COURT
STATE OF HAWAII
LAND COURT APPLICATION 1069

CONSOLIDATION OF LOT 3805-A
AS SHOWN ON MAP 378
LOTS 1136-B AND 1136-C
AS SHOWN ON MAP 165
LOT 1909-B
AS SHOWN ON MAP 410

AND RESUBDIVISION OF SAID CONSOLIDATION
INTO LOTS 12019, 12020, 12021 AND 12022,
CANCELLATION OF EASEMENT 488
AS SHOWN ON MAP 165,
CANCELLATION OF PORTIONS OF EASEMENT 5
AS SHOWN ON MAP 1
AND DESIGNATION OF EASEMENT 6138
HONOLULU, EWA, OAHU, HAWAII

STATE OF HAWAII
DEPARTMENT OF ACCOUNTS
AND GENERAL SERVICES
DISTRICT OFFICE
Honolulu, Hawaii
July 11, 1988



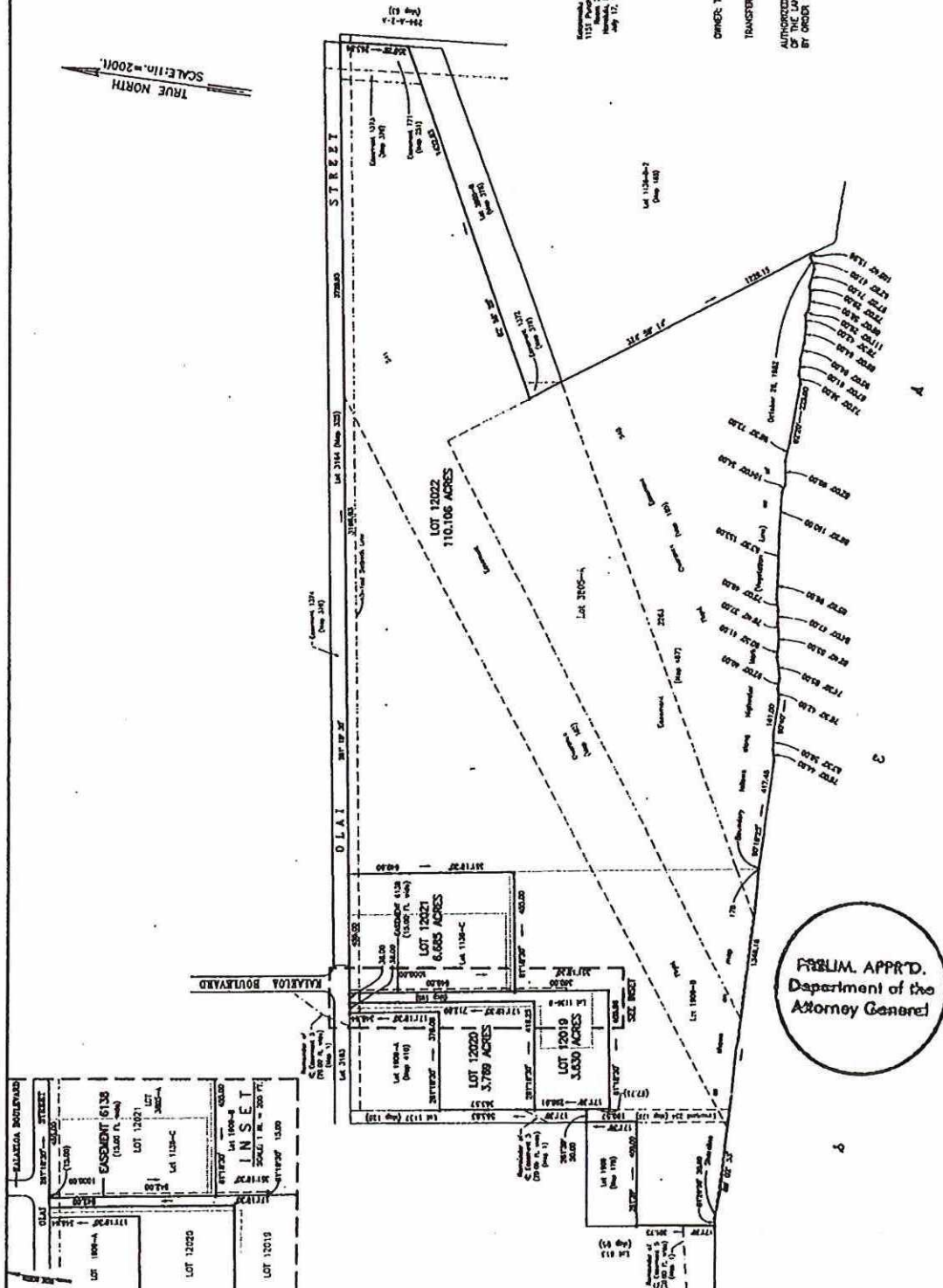
OWNER: TRUSTEES UNDER THE WILL AND OF THE
ESTATE OF JAMES CAMPBELL, DECEASED
TRANSFER CERTIFICATE OF TITLE: 410,853

AUTHORIZED AND APPROVED BY ORDER OF THE JUDGE
OF THE LAND COURT DATED IMMEDIATELY TO BE
BY ORDER OF THE COURT

William J. Campbell
Acting REGISTRAR OF THE LAND COURT

Filed January 14, 1989
2000 75 266

EXHIBIT "B"



PRELIM. APPRD.
Department of the
Attorney General

NOTE:
EASEMENT 6138 = 12,000 sq. ft. for Water-Gate and Electric Purposes affecting Lots 12021 and 12022.

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-8

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request for approval to issue a license agreement to Kauai Taro Company LLC for 88.02 gross acres, more or less, of Field 207 for agricultural use in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key (4) 1-2-002:001 (por.)

Awardee: Kauai Taro Company LLC

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

Area: 88.02 gross acres, more or less

Field No(s): 207 (Premises) (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 modified) 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: Agriculture

Character of Use: Agricultural: taro loi

Land Doc. Type: License

Term: 35 years

Rental Rate: \$235 per acre per year
Initial Annual Rent: \$20,684.70

Request for approval to issue a license agreement to Kauai Taro Company LLC for 88.02 gross acres, more or less, of Field 207 for agricultural use in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key (4) 1-2-002:001 (por.)
June 26, 2025

BACKGROUND:

Kauai Taro Company LLC (KTC) has been a tenant in good standing with Pioneer Hi-Bred International, Inc. (Pioneer), growing taro in Field 107 under Pioneer's approved incubator program. The Agribusiness Development Corporation (ADC) published a request for land applications in early 2024 and KTC submitted their application. Their application was scored sufficiently high and the ADC Board of Directors (Board) voted to accept them as an awardee at their meeting on November 1, 2024.

Staff issued a right-of-entry agreement effective May 1, 2025 and KTC has since requested a license agreement.

REQUEST:

KTC requests that the Board approve the issuance of a land license to Kauai Taro Company LLC for the Premises (88.02 gross acres, more or less) located on the subject Property (Request). See Exhibit "B"

OPERATIONAL PLAN:

See Exhibit "C"

CONSERVATION PLAN:

KTC will be required to develop a conservation plan and seek approval from the appropriate conservation district.

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 is exempt from the requirement to conduct an environmental assessment because the action is exempt as a continuing administrative activity under section 11-200.1-15(c)(8) HAR, and will not adversely affect the environment.

DISCUSSION:

As noted previously, KTC is currently a tenant in good standing with Pioneer and Field 207 has access to irrigation water for the taro loi. Staff notes that a substantial financial investment by KTC will be necessary to clear the property of haole koa and other over-growth currently infesting the Premises. As such, we recommend a stepped rent rate for the first five years, as follows:

Year	Rate or Escalator
1-3	\$0/acre/year
4-7	\$66.75/acre/year
8-10	\$93.44/acre/year
11-15	\$235/acre/year
16-20	+2.5%
21-25	+2.5%
26-30	+2.5%

Request for approval to issue a license agreement to Kauai Taro Company LLC for 88.02 gross acres, more or less, of Field 207 for agricultural use in Kekaha, District of Waimea, County of Kauai, State of Hawaii, Tax Map Key (4) 1-2-002:001 (por.)
June 26, 2025

31-35

+2.5%

At full rate, the license is valued at \$780,543.76 over the term of the license. The stepped license rate similarly represents a license value of \$592,050.69, representing a total discount value to KTC of \$188,493.07.¹

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

1. Approve the Request, subject to the following conditions:
 - a. The license term shall be for 35 years; and
 - b. The license rents shall be \$0/acre/year for years 1-3; \$66.75/acre/year for years 4-7; \$93.44/acre/year for year 8-10; \$235/acre/year for years 11-15, and +2.5% of base increase every 5 years thereafter; and
 - c. Licensee shall not sublet any portion of the Premises without the prior approval of ADC; and
 - d. The licensee shall join or execute an agreement with Kekaha Agriculture Association for their share of the maintenance of the common infrastructure, as a condition of the license.
2. Declare the Request is exempt from the requirement to conduct an environmental assessment, not having the potential to adversely affect the environment and not rising to the level of requiring environmental review.

Respectfully Submitted,

Lyle Roe

LYLE ROE

Asset Manager

Approved for Submittal:

Wendy Gady

Wendy Gady

Executive Director

Attachment(s):

Exhibit A (map)

Exhibit B (request)

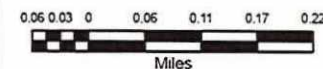
Exhibit C (land utilization plan)

¹ These are raw values and do not include inflationary or other considerations.



Field 207
88.02 gross acres

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



Sources: NAD, Topo, Quam, PAD, NOAA, USGS, & Overlaid Map
Copyrights, and the GIS User Community. This work is licensed under the
Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International
License. This layer is not intended to be used to export files for printing.
© 2023. This map was developed by the Agricultural Development
Corporation, State of Hawaii.

TO:

28 May, 2025

State of Hawaii

Agribusiness Development Corporation

FROM:

Kauai Taro Company LLC

We have utilized the Right of Entry to inspect Field 207 in Kekaha and conduct soil testing as it pertains to our interest in wetland taro farming.

As you know, Field 207 is almost completely overgrown with 20 foot tall haole koa forest and is not farmable in its current condition. It will take considerable cost and time to clear and prepare the land for farming.

Despite its condition, we accept the challenge and formally request a license for Field 207 under the attached Land Utilization Plan and schedule.

Thank you for considering this request.

Adam Asquith

Kauai Taro Company, LLC

4654 Hauaala Road

Kapaa, HI 96746

808-635-8290

Adam_asquith@yahoo.com

LAND UTILIZATION PLAN
FIELD 207, KEKAHA KAUAI
KAUAI TARO COMPANY LLC

Organization and Management:

Adam Asquith is the Farm Manager. He will oversee all aspects of the farm operation on Field 207, from clearing and construction, to harvest and delivery. Higher level decisions on company management, direction and expansion are made jointly by the partners. The Farm Manager will be the primary contact for on-site needs and issues. In general, one person can manage all aspects of a wetland taro farming operation up to about 10 acres, including harvesting. Another employee is needed for every additional 10 acres. Thus, at the full 90 acre production planned for 207, Kauai Taro Company will have approximately 6-7 employees supervised by the Farm Manager.

Development Plan:

We are seeking a smooth transition from our remaining tenure in the Corteva incubator program in Field 107 to our license in Field 207. This will allow us to maintain cash flow and transfer planting material seamlessly in the development of 207. Currently, Field 207 is overgrown with 15-20 foot tall haole koa and is not farmable. With above ground growth and root removal, we estimate a cost of \$2k to \$4k per acre for land preparation. After land clearing there is also significant site preparation required with road and bank construction, field levelling, internal drainage ditches, and pipe installation. With the required overlap of Field 107 maintenance and Field 207 development initially, we anticipate developing and planting 15 acres by Year 3, another 10 acres by Year 6, another 10 in Year 9, and final build out of wetland taro after Year 10 (See Farm Development Map) . After full transition to 207 in Year 4, we will scale up development and should have full build-out with 80-90 acres planted after Year 10.

Most of the area will be devoted to wetland taro and will require the construction of taro patches ranging in size from $\frac{1}{4}$ to $\frac{1}{2}$ acre. We will largely follow the field map system used by Kekaha Sugar as it maps the slope of the land and minimizes soil movement in patch construction (See attached). Approximately 15 acres will be developed as dryland taro for luau leaf production. Another 10 acres will be used for diversified crops including banana, cassava, sugarcane, sweet potato, ulu, etc. We will construct a base yard at the Waimea-makai corner of the property where we may be able to drop electricity and build an equipment shed.

Fee Payment Plan:

The current condition of the area requires significant cost and time for clearing and preparation to make it farmable, and we want to pay fees from farm income. Therefore, we request a scaled fee payment schedule matching the development plan, production and cash flow. Under this scenario, we would begin to pay license and infrastructure fees for approximately 25 acres beginning in Year 4, and increasing as we generate production on the remaining acres as estimated in the Development Plan.

Development and Proposed Fee Payment for Field 207

	Year 1-3	Year 4-7	Year 8-10	Year 10+	Full
Acreage Developed	25	35	45	55	90
Acreage Harvested	0	25	35	45	90
Fee Payment Acreage	0	25	35	45	90

FIELD NO 207 (B)

SECT	AREA	VARIETY PLANT	REMARKS
1-5	10.31	52-557	11-76 SPREADING
6	16.25		11-82 FT-7
7-9	7.66		
10-11	3.99		FT-5
12-14	5.24		
15-18	18.43		12-80
19-21	10.51		
22	10.64		SPREADING
23	5.89		

TOTAL 88.02 DATE 1-15-81

KOKONA TULSA CO
FIELD NO 207
(B)
VARIETIES:
62-4671 88.02

TOTAL * 88.02
HSPA ACRE 88.02
0 200 400 600
AERIAL PHOTO BY R.M.Y.C.
DATE OF PHOTO 1-15-81

The aerial photograph shows a field divided into numerous numbered plots. The following table lists the plot numbers and their corresponding acreages as shown on the map:

Plot Number	Acreage
①	3.40
②	2.94
③	1.54
④	2.43
⑤	.84
⑥	1.98
⑦	1.47
⑧	2.10
⑨	2.52
⑩	1.16
⑪	1.37
⑫	1.71
⑬	1.38
⑭	3.59
⑮	5.11
⑯	8.35
⑰	2.93
⑱	3.69
⑲	3.89
㉑	5.89
㉒	10.64
㉓	16.53

Other labels on the map include "10.31" near plot ①, "28.00" near plot ⑦, and "33.18" near plot ⑭.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



E-9

WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OLU AINA MAHIAI

June 26, 2025

Subject: Request for approval to execute and enter a Memorandum of Agreement between the State of Hawaii Agribusiness Development Corporation and the Office of Hawaiian Affairs for water line purposes in District of Wahiawa, City & County of Honolulu, State of Hawai'i, Tax Map Key No. (1) 7-1-012:009 (por.)

Applicant: Agribusiness Development Corporation (ADC)

Authority: 163D-4(a)(5) and (15), Hawai'i Revised Statutes

BACKGROUND:

In 2012, the State of Hawai'i acquired from the Trust for Public Lands, over 1,700 acres of land previously owned by the Estate of George Galbraith, of which 1,207 acres were acquired by the Agribusiness Development Corporation ("ADC"), and 511 acres were acquired by Office of Hawaiian Affairs ("OHA"). ADC utilizes the existing infrastructure, which includes the Bott Well, as a water source, a twelve-inch subterranean waterline for transport, and five water hydrants to control water flow, which are critical for delivering irrigation water to these diversified farming operations. One segment of the existing subterranean waterline, including one water hydrant, which transports water from the Bott Well to a portion of ADC lands, which traverses OHA lands, and is owned by OHA ("OHA Waterline"). The Parties have executed a Memorandum of Agreement effective June 28, 2018 regarding the use, operation, and maintenance of OHA Waterline, which terminates on June 27, 2025.

REQUEST:

Staff requests that the Board authorize the Executive Director to execute a Memorandum of Understandings (MOUs) (Exhibit "A") between ADC and OHA that sets forth the rights and obligations of the Parties for the continued use, inspection, operation, maintenance, replacement, and repair of the OHA Waterline on that certain portion of the OHA lands more particularly identified for the purpose of this MOA as TMK (1) 7-1-012:009, consisting of 186 ("Property").

OPERATIONAL PLAN:

During the term of this MOA, OHA will permit ADC to use the OHA Waterline for the purposes described in the Recitals and in the terms of the MOA, in accordance with and upon and subject to the terms and conditions of the agreement.

CONSERVATION PLAN:

N/A

CHAPTER 343:

Under *Hawaii Revised Statutes* (HRS) §343-5(a), 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 or county lands.

In accordance with the Comprehensive Exemption List for the Agribusiness Development Corporation dated May 1, 2018, the subject Request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 10, item 9, which includes “Creation or termination of easements, covenants, or other rights in structures or land[.]” The Request is a de minimis action that will probably have minimal or no significant effect on the environment and should be declared exempt from the preparation of an environmental assessment.

DISCUSSION:

The Parties desire to continue their agreement regarding the use, operation, and maintenance of OHA’s Waterline. Any New Waterline will be owned by ADC and, upon the installation and commencement of operation of a New Waterline and execution of a grant of easement, the MOA shall terminate. This pertains to future waterline projects such as the R-1 water transmission line from the City and County of Honolulu’s Wahiawa Wastewater Treatment Plant and Lake In-take Pump Station at the Wahiawa Reservoir. Apart from the work already-in-progress and ADC staff time, this activity will have a neutral effect on ADC income and budget.

RECOMMENDATION:

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

1. Approve the Request, subject to the following conditions:
 - a. The term of the MOA shall be for one year and will terminate on June 27, 2026.
 - b. OHA shall indemnify and hold harmless ADC from all claims, and
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 HRS Chapter 343.

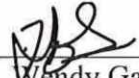
Request for approval to execute and enter a memorandum of agreement between the Agribusiness Development Corporation and the Office of Hawaiian Affairs for water line purposes in District of Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-1-012:009 (por.)
June 26, 2025

Respectfully Submitted,


KEN NAKAMOTO

Project Manager

Approved for Submission:



Wendy Gady

Executive Director

[illegible]

MEMORANDUM OF AGREEMENT
Between
OFFICE OF HAWAIIAN AFFAIRS
And
AGRIBUSINESS DEVELOPMENT CORPORATION

THIS MEMORANDUM OF AGREEMENT (“MOA”), is executed on the respective dates indicated below, and effective June 28, 2025, between the OFFICE OF HAWAIIAN AFFAIRS (“OHA”), a body corporate existing under the constitution and laws of the State of Hawai‘i, whose business address is 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817, and the AGRIBUSINESS DEVELOPMENT CORPORATION (ADC), a public body corporate and politic and an instrumentality of the State of Hawai‘i, whose business address is 235 S. Beretania St., Suite 205, Honolulu, HI 96813. OHA and ADC are sometimes referred to herein collectively as “Parties” or individually as a “Party”.

RECITALS

WHEREAS, in 2012, the State of Hawai‘i acquired from the Trust for Public Lands, over 1,700 acres of land previously owned by the Estate of George Galbraith, of which 1,207 acres were acquired by ADC (“ADC lands”), and 511 acres were acquired by OHA (“OHA lands”);

WHEREAS, these lands were acquired to preserve the natural open space and increase local food production in Central O‘ahu;

WHEREAS, ADC has licensed the former pineapple fields to tenants for diversified farming operations;

WHEREAS, ADC utilizes the existing infrastructure, which includes the Bott Well, as a water source, a twelve-inch subterranean waterline for transport, and five water hydrants to control water flow, which are critical for delivering irrigation water to these diversified farming operations;

WHEREAS, one segment of the existing subterranean waterline, including one water hydrant, which transports water from the Bott Well to a portion of ADC lands, which traverses OHA lands, and is owned by OHA (“OHA Waterline”);

WHEREAS, the Parties have executed a Memorandum of Agreement effective June 28, 2018 regarding the OHA Waterline, which terminates on June 27, 2025; and

WHEREAS, the Parties desire to continue their agreement regarding the use, operation, and maintenance of the OHA Waterline.

AGREEMENT

NOW THEREFORE, in consideration of the terms and conditions herein set forth, the Parties hereby agree to the following:

1. PURPOSE. This MOA shall be the coordinating agreement that sets forth the rights and obligations of the Parties for the use, inspection, operation, maintenance, replacement, and repair of the OHA Waterline on that certain portion of the OHA lands more particularly identified for the purpose of this MOA as TMK (1) 7-1-012:009, consisting of 186 acres and shown on the map attached hereto as Exhibit A ("Property").
2. TERM. The term of this MOA shall commence on June 28, 2025, and shall expire one year thereafter, unless sooner terminated as provided herein.
3. USE OF WATERLINE. During the term of this MOA, OHA will permit ADC to use the OHA Waterline for the purposes described in the Recitals and in the terms of this MOA, in accordance with and upon and subject to the terms and conditions of this MOA.
4. ACCESS TO WATERLINE. Upon not less than seventy-two hours prior written request from ADC, OHA shall provide ADC, its contractors, and its employees, with reasonable access to the Property for the inspection, operation, maintenance, replacement, and repair of the OHA Waterline as provided in this MOA; provided, however, that in emergency circumstances in which damage to property or injury to persons is imminently threatened, ADC may enter the Property upon such prior notice to OHA as is reasonable under the circumstances. OHA may designate specific areas or routes for access to the OHA Waterline by ADC and its contractors and employees, in which event ADC, its contractors, and its employees shall enter the Property only upon such designated areas or routes.
5. REPORTS AND NOTICES. Each Party will immediately provide to the other Party copies of any reports relating to inspections or other administrative or regulatory reviews, citations, notices of administrative actions, notice of legal proceedings, or any other such action that may impact the OHA Waterline, this MOA, or the ability of either Party to adequately perform its obligations herein. Any notice that a Party is required or may desire to give to the other Party shall be in writing and may be sent by: email or facsimile transmission; personal delivery; registered or certified United States mail, postage prepaid, return receipt requested; or Federal Express or similar generally recognized overnight carrier regularly providing proof of delivery, addressed as follows:

OHA PRINCIPAL RESPONSIBLE PARTY:

OHA Chief Executive Officer
560 N. Nimitz Hwy., Suite 200
Honolulu, HI 96817
Telephone: (808) 594-1835
Facsimile: (808) 594-1865
Email address: _____

ADC PRINCIPAL RESPONSIBLE PARTY:

ADC Executive Director
235 S. Beretania St., Suite 205
Honolulu, HI 96813
Telephone: (808) 586-0186
Facsimile: (808) 586-0189
Email address: dbedt.adc@hawaii.gov

Delivery of such notice shall be deemed complete on the date of actual delivery as shown by certification receipt, addressee's registry, facsimile confirmation, or other means of verification. Parties may designate a different principal responsible party or address by notice similarly given.

6. INSTALLATION OF A NEW WATERLINE. Notwithstanding any other provision of this MOA, OHA, at any time, may request that ADC install a new waterline ("New Waterline") to replace the existing OHA Waterline. Such request shall identify the proposed location(s) of the New Waterline. ADC agrees to review any such request of OHA. OHA acknowledges that ADC's review will include consideration of the costs of such installation, together with all necessary costs to relocate, replace, or realign ADC's improvements, if any. In the event that ADC agrees to install a New Waterline within the location(s) proposed by OHA, OHA agrees to negotiate in good faith with ADC to grant ADC an easement for the New Waterline over those portion(s) of OHA lands upon which the New Waterline will be located; provided that the grant of easement will give OHA the same right to water as provided in Section 20 of this MOA, and the right to additional water from other sources transported through the New Waterline, as negotiated by OHA and ADC. Any New Waterline will be owned by ADC and, upon the installation and commencement of operation of a New Waterline and execution of a grant of easement therefor as aforesaid, this MOA shall terminate. Upon termination of this MOA as aforesaid, the Parties' respective rights and obligations with respect to the existing OHA Waterline, together with any improvements or alterations made thereto by ADC, shall be as set forth in Section 10 of this MOA. OHA shall not be responsible for any costs or damages incurred or suffered by ADC as a result of any interruption in use of the OHA Waterline by ADC arising from the installation of a New Waterline.
7. RELOCATION, REPLACEMENT, AND REALIGNMENT. Notwithstanding any other provision of this MOA, OHA shall have the right, at any time, in OHA's sole and absolute discretion, and at OHA's sole cost and expense, to relocate, replace, or realign the OHA Waterline, or any portion(s) thereof. Upon such relocation, replacement, or realignment, all references to "OHA Waterline" in this MOA shall mean and refer to the OHA Waterline as so relocated, replaced, or realigned, and "OHA Waterline" shall not include any portions of the OHA Waterline that are no longer used for transmission of water as contemplated by this MOA. OHA shall not be responsible for any costs or damages incurred or suffered by ADC as a result of any interruption in use of the OHA Waterline by ADC arising from any such relocation, replacement, or realignment activity. OHA shall provide ADC with

at least thirty days written notice of any relocation, replacement, or realignment activity that may affect ADC's ability to use the OHA Waterline as provided in this MOA.

8. MAINTENANCE AND REPAIR.

- (a) No Obligation of OHA. OHA shall have no obligation to maintain, repair, or replace the OHA Waterline or Property, and ADC accepts use of the OHA Waterline and access to the Property in their "AS-IS" "WHERE-IS" conditions.
- (b) ADC Repair and Maintenance. Subject to the terms of this MOA, ADC shall have the right to inspect, and shall be responsible, at ADC's sole cost and expense, for maintaining and repairing all pipes, valves, hydrants, and other infrastructure comprising or associated with the OHA Waterline; provided that funds are appropriated by the Hawai'i State Legislature and allotted for that purpose; provided further that ADC shall not be obligated to repair any damage to the OHA Waterline caused by OHA.
- (c) Removal of Vegetation. Subject to the terms of this MOA, ADC may clear existing vegetation located above the OHA Waterline to facilitate access to the OHA Waterline by ADC.
- (d) OHA Approval. ADC shall not repair or replace any portion of the OHA Waterline, or clear any vegetation on the Property unless ADC has obtained OHA's prior written approval of the proposed action, pursuant to a written request submitted not later than fourteen days prior to the proposed date of action; provided, however, that in emergency circumstances in which damage to property or injury to persons is imminently threatened, ADC may make such emergency repairs to the OHA Waterline upon such prior notice to OHA as is reasonable under the circumstances.
- (e) Use of Due Care. When entering and performing any activity on or about the Property, ADC, its contractors, and its employees shall at all times exercise due care and reasonable precaution against damaging the OHA Waterline or any part of the Property, or any person or property located thereon.
- (f) Emergency Repairs of OHA. OHA shall have the right, but not the obligation, to make emergency repairs to the OHA Waterline if, after such prior notice from OHA to ADC as is reasonable under the circumstances, ADC fails to make any repairs necessary to prevent an imminent threat of damage to property or injury to persons. As provided in Section 12, ADC shall be responsible for the cost of such emergency repairs to the OHA Waterline made by OHA, except where such emergency repairs are necessitated by damage to the OHA Waterline caused by OHA or its agents.
- (g) Temporary Suspension of Water Availability. ADC may temporarily suspend the availability of water to OHA pursuant to Section 20 of this MOA as and to the extent reasonably required for the purpose of maintaining or repairing the subterranean waterline. OHA shall be solely responsible, at its own cost, to provide its own water storage to provide continuous water flow when and as needed. In the event that ADC temporarily suspends the delivery of water to OHA for the purpose of maintaining or repairing the subterranean waterline, OHA shall have the right to take and transport water from any water source available to ADC and service the ADC lands, up to the amount described in Section 20, provided that water is available.

9. CONSTRUCTION OF IMPROVEMENTS. No improvements may be constructed on the Property or alterations made to the OHA Waterline by ADC without the prior written consent of OHA, which consent may not be unreasonably withheld if such improvements or alterations are reasonably necessary for use of the OHA Waterline by ADC in accordance with this MOA, provided that OHA may establish requirements for the removal of the improvement as a condition to its consent. Any request by ADC for consent shall be in writing and shall include a complete set of plans and specifications for the proposed improvements, together with such other information as OHA reasonably may request. Any approval by OHA of such plans and specifications shall not be construed as an acknowledgment or representation by OHA of the architectural, structural, or legal sufficiency of the plans and specifications or of any improvements built in accordance therewith or of any other matter related to the plans and specifications or any improvements built in accordance therewith. ADC shall be solely responsible for the cost of any such improvements or alterations, and for any and all damage caused to the surrounding land, people, or property as a result of such improvements or alterations, as provided in Section 12. Upon completion of any construction within the Property, if requested, ADC shall provide OHA, at ADC's sole expense, with a complete set of plans and specifications for the entirety of such construction certified by ADC's engineer or other duly licensed consultant: (a) as showing the completed construction "as built"; and (b) as being in substantial compliance with the approved plans and specifications.
10. SURRENDER. Except as otherwise required by OHA as a condition to OHA's consent to improvements or alterations pursuant to Section 9, upon the termination of this MOA for any reason, ADC, by written notice to OHA given not later than thirty days after termination of this MOA, may remove any improvements or alterations made by ADC on the Property or to the OHA Waterline during the term of this MOA provided that ADC:
- (a) Shall identify the specific improvements or alternations to be removed in said notice;
 - (b) Shall restore or repair any damage to the Property or OHA Waterline arising from such removal; and
 - (c) Shall complete such removal and any required restoration or repair within ninety days from the date of such notice.

All other improvements and alterations shall become the property of OHA without the requirement of any payment therefor. The provisions of this Section 10 shall survive the termination of this MOA.

11. LIMITATION OF LIABILITY. OHA shall not be liable or responsible for, and ADC, for itself and its contractors and employees, hereby releases OHA from any loss or damage sustained by ADC, its contractors, or its employees, or anyone claiming through or under ADC, its contractors, or its employees, because of acts or omissions of ADC, its contractors, or its employees, or any condition existing on the Property. The provisions of this Section 11 shall survive the termination of this MOA.

12. DAMAGE OR INJURIES. To the maximum extent permitted by applicable law, ADC shall be responsible for any and all damages or injuries to OHA, to ADC, or to their respective agents, contractors or employees, to third parties, or to any property owned by any of them, including, without limitation, the OHA Waterline and Property, which in any way is caused by ADC, its contractors, or its employees, that occur during the term of this MOA, as a direct or indirect result of the inspection, operation, maintenance, replacement, and repair of the OHA Waterline, or failure to do so, by ADC or by its contractor, or by its employees, or from any act or omission upon the Property by ADC, its contractors, or its employees, or from any breach or default by ADC of this MOA, provided that ADC's liability for such damages or injuries has been determined by a court or agreed to by ADC. ADC shall pay for such damages and injuries provided that funds are appropriated by the Hawai'i State Legislature and allotted for that purpose. The provisions of this Section 12 shall survive the termination of this MOA.
13. INSURANCE. OHA hereto understands and agrees that ADC is self-insured and shall maintain, for the duration of this MOA, insurance against claims for injuries to persons or damages to the Property, which may arise from or in connection with the performance of the work by ADC, its contractors, and its employees.

ADC shall ensure that any and all of its contractors (including subcontractors) performing any work on or about the OHA Waterline or Property shall carry and maintain at their sole cost and expense the following insurance policies and coverage noted below:

- (a) Commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate. OHA shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 10 (or equivalent), and under the commercial umbrella, if any. The form of policy shall be "Occurrence" form of policy, unless otherwise specifically approved by OHA.
- (b) Automobile liability insurance with a combined single limit of \$1,000,000.00 for each accident or equivalent and that covers owned, hired, and non-owned vehicles, including the loading and unloading thereof on the property.
- (c) Workers' compensation insurance affording statutory limits and employees' liability coverage with limits no less than \$500,000.00 covering all persons who enter onto the Property under the terms of this MOA.
- (d) Other insurance as required by ADC or OHA.
- (e) All policies of insurance described in clauses (a) to (d) above shall:
 - (i) Name the State of Hawai'i, ADC, OHA and its Trustees, OHA's employees, representatives, and agents as Additional Insureds, by endorsement;
 - (ii) Provide that the insurance is Primary with respect to all insureds for claims arising out of the contractor's negligent acts and/or omissions or misconduct, and that any insurance (or self-insurance) carried by OHA or the State of Hawai'i shall be excess and non-contributing; and
 - (iii) Be provided by insurers authorized to do business in the State of Hawai'i, and with a current Best's rating of not less than A-VII, or otherwise as approved by OHA.

Prior to any entry by any ADC contractor upon the Property, ADC shall provide OHA with certificates of insurance or such other documentation as may be required by OHA to confirm that such contractor has obtained and maintains in force the policies of insurance required hereunder.

14. LIENS. ADC shall not commit or suffer any act or neglect whereby the Property, any other OHA lands, or any improvements located therein or thereon, including, without limitation, the OHA Waterline, becomes subject to any attachment, judgment, lien, charge, or encumbrance whatsoever. The provisions of this Section 14 shall survive the termination of this MOA.
15. TERMINATION. This MOA shall terminate upon the earliest to occur:
 - (a) The expiration of the term;
 - (b) The completion of ADC installing the New Waterline pursuant to Section 6;
 - (c) The abandonment of the subterranean waterline by ADC;
 - (d) The complete or substantial destruction of the OHA Waterline due to causes other than the acts or omissions of ADC, its contractors, and its employees;
 - (e) Upon the default by either Party and failure to cure such default as provided in Section 16, by written notice from the non-defaulting Party; or
 - (f) Termination of this MOA by either Party, for any or no reason, upon not less than thirty days prior written notice to the other Party.
16. DEFAULTS AND REMEDIES. If either Party fails to perform any of the terms, covenants, and agreements contained herein, and such failure continues for a period of ten days after written notice from the other Party, then the non-defaulting Party shall be entitled to all remedies available to it at law or equity, including by way of example and not in limitation thereof, the right to sue such person or Party for specific performance, injunctive relief, and/or monetary damages. In all cases, each Party agrees to bear its own fees and cost incurred.
17. REMEDIES CUMULATIVE. The remedies set forth herein shall be in addition to remedies otherwise applicable or provided herein or otherwise available at law or in equity, it being understood that all rights and remedies shall always be non-exclusive and cumulative and that the exercise of one remedy or form of relief available hereunder shall not be exclusive of, or constitute a waiver of, any other.
18. NO WAIVER. The failure in any case to enforce the provisions of any covenant, condition, restriction, obligation, or charge of this MOA shall not constitute a waiver of any right to enforce any such provision of this MOA in any other case.
19. OHA'S RESERVATIONS. Any other provision herein notwithstanding, and in addition to any other reservations set forth herein, this MOA is subject to the reservation unto OHA, from time to time, of the following rights, to which ADC hereby consents:

- (a) The right to subdivide all or any portion of the land through which the OHA Waterline crosses into lots or to consolidate all or any portion of such land with adjoining land and to resubdivide the same into lots at OHA's expense;
- (b) The right to utilize or to permit others to utilize the land above the OHA Waterline provided that such use does not materially adversely affect the exercise by ADC of its rights under this MOA;
- (c) The right to sell or lease the Property or to make one or more grants or assignments of rights in the Property from time to time to any person, including, without limitation, governmental authorities, public or private utilities, or others, which do not materially adversely affect the exercise by ADC of its rights under this MOA; and
- (d) The right to exercise any and all other rights of the owner of the Property that do not materially adversely affect the exercise by ADC of its rights under this MOA.

ADC shall work cooperatively with OHA on any effort to realign or relocate the OHA Waterline and efficiently return it to operating condition.

- 20. PROVISION OF IRRIGATION WATER. In consideration for the use of the OHA Waterline and ADC's other privileges under this MOA, upon the request of OHA, ADC shall provide up to one hundred forty three thousand gallons of irrigation water per day (143,000 GPD) to OHA for agriculture and related purposes throughout the term of this MOA, provided that water is available, and provided that OHA shall be responsible for providing tanks, and/or other portable water storage equipment on the Property. Such water shall be provided, except as otherwise agreed by OHA and ADC, on the most favorable terms and conditions as water is provided by ADC to governmental agencies or private users. OHA and ADC agree to cooperate to execute a further memorandum ("Water Use Agreement") to memorialize such terms and conditions for the provision of water as aforesaid. ADC shall provide not less than thirty days prior written notice to OHA if a change in water quality is anticipated by ADC. If a change in water quality is not anticipated by ADC, but thereafter discovered by ADC, ADC shall notify OHA within twenty-four hours of such discovery.
- 21. PARTIAL INVALIDITY. If any term, provision, covenant or condition of this MOA or the application thereof to any person or circumstances shall to any extent, be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this MOA, or the application of such term, provision, covenant, or condition of this MOA to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term or provision of this MOA shall be valid and enforceable to the fullest extent permitted by law.
- 22. GOVERNING LAW. The laws of the State of Hawai'i shall govern the validity, performance, and enforcement of this MOA.
- 23. AMENDMENT. This MOA may only be amended in writing, executed by both Parties hereto.

24. COOPERATION. Each Party will communicate and work with the other Party in good faith to attempt to resolve any disputes that may arise with respect to this MOA and shall use good faith efforts to provide the other Party with any information in such Party's possession required for the other Party to satisfy its obligations under this MOA.
25. COUNTERPARTS; FACSIMILE, OR ELECTRONIC EXECUTION. The MOA may be executed by the Parties in one or more counterparts, each of which shall be deemed an original, and said counterparts will together constitute one and the same agreement and shall be binding on each of the Parties notwithstanding that all of the Parties are not signatory to the original or the same counterpart. The submission of a signature page by facsimile transmission, or similar electronic submission facility (e.g., e-mail or electronic signature) shall be deemed to constitute an "original" signature page for all purposes, and facsimile or electronic copies shall be deemed to constitute duplicate originals.

[The remainder of this page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Agreement by their duly authorized representatives by their signatures, on the dates noted below.

FOR THE OFFICE OF HAWAIIAN
AFFAIRS

By:

Stacy Kealohalani Ferreira
Ka Pouhana
Chief Executive Officer
Date:

FOR THE AGRIBUSINESS
DEVELOPMENT CORPORATION

By:

Wendy L. Gady
Executive Director
Date:

APPROVED AS TO FORM

By:

Ka Paepae Puka
OHA Corporate Counsel

APPROVED AS TO FORM

By:

Delanie Prescott-Tate
Deputy Attorney General

APPROVED AS TO CONTENT

By:

Pou Kāko‘o Mahele Mālama 'Āina
Land & Property Manager

STATE OF HAWAII
**AGRIBUSINESS DEVELOPMENT
CORPORATION**

E-10

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS
June 26, 2025

Subject: Request for approval to issue a right of entry agreement to Hawaii Department of Agriculture to conduct reasonable site exploration and surveying for the purpose of constructing a Bio-Security Facility; Wahiawa, City & County of Honolulu, State of Hawaii, TMK (1) 7-1-012:001.

Applicant: Hawaii State Department of Agriculture (Applicant)

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

Area: N/A

Field No(s): TMK (1) 7-1-012:001 por. Galbraith Farm area, approximately 6.0 acres

Tax Map Key: (1) 7-1-012:001 (Property)

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

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: AG-1

Character of Use: Preliminary Engineering, and site evaluation

Land Doc. Type: Right-of-Entry

Term: Expires December 31, 2025

Rental Rate: \$0.00
Annual Rent: \$0.00/year

June 26, 2025

BACKGROUND:

The Hawaii Department of Agriculture (HDOA) is developing a Bio-Security Facility as part of its work to combat invasive species harmful to Hawaii's environment. HDOA and ADC have shared a few options for locating a facility. Currently, a portion of TMK (1) 7-1-012:001, approximately 6 acres of land, appears to be the best option. The subject area is a remnant of larger farmed lands. (See proposed area shown in Exhibit "A".)

REQUEST:

HDOA requests a non-exclusive right-of-entry (ROE) through ADC Whitmore lands for HDOA and its contractors to perform survey work to explore the potential development and construction of a Bio-Security facility. (Request). ADC staff requests Board approval to allow the ADC Executive Director to execute a ROE.

OPERATIONAL PLAN:

The ROE will provide HDOA and its contractors with legal access to the property and perform survey work as part of its due diligence to explore the potential development and construction of a Bio-Security facility. ADC staff will coordinate work hours with HDOA and its contractors. ADC tenants may be affected by the ingress to and egress from the project area. ADC staff will provide an update to the Board if HDOA determines the parcel to be the best location for constructing a Bio-Security Facility.

CONSERVATION PLAN:

N/A

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT COMPLIANCE:

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 environmental review process is not triggered because it is an existing and continuing use of state lands.

REMARKS & DISCUSSION:

Under this ROE, HDOA plans to conduct preliminary engineering and survey work to determine if the future development and construction of a Bio-Security Facility on this parcel of ADC land is feasible. Other than staff time, it is not expected that the ROE will cause any significant fiscal impact.

RECOMMENDATION:

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

1. Approve the Request, subject to the following conditions:
 - a. HDOA and its contractors shall coordinate all ingress and egress through the property with ADC and its licensees; and
 - b. 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, date and time access

Request for approval to issue a right of entry agreement to Department of Agriculture to conduct reasonable site exploration and surveying for the purpose of constructing a Bio-Security Facility; Wahiawa, City & County of Honolulu, State of Hawaii, TMK (1) 7-1-012:001 por.

June 26, 2025

- restriction, field area restrictions, equipment restrictions, number of personnel, etc.; and
- c. HDOA and its contractors shall procure and maintain commercial general liability, and commercial auto insurances that lists ADC and any affected ADC licensees as additional insured; and
 - d. HDOA and its contractors shall not leave any property, equipment or markers in licensed fields, including, but not limited to vehicles, inspection equipment, cameras, monitoring equipment, stakes, etc.; and
 - e. ROE shall terminate on December 31, 2025.

Respectfully Submitted,



MARK TAKEMOTO
Senior Executive Assistant

Approved for Submittal:



Wendy Gady
Executive Director

Exhibit A

Portion of TMK (1) 7-1-12-1

Below outlined below with dashed yellow line.

About 6 acres of land, there is a gate near the area. The gate and road will need to be improved.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



E-11

WENDY GADY
EXECUTIVE DIRECTOR

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

June 26, 2025

Subject: Request for after-the-fact approval for a right-of-entry agreement to Hawaii Farm Bureau Federation for access to land in Whitmore Village, County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 7-1-002:037 (por.), :041 (por.), :044 (por.)

Applicant: Agribusiness Development Corporation (ADC)

Authority: 163D-4(a)(5) and (15), Hawai'i Revised Statutes

BACKGROUND:

Hawaii Farm Bureau Federation (HFBF) is a domestic nonprofit advocacy organization for all agriculture in the state of Hawaii. Since 1962, HFBF has hosted an annual farm fair every year to showcase the agriculture community in Hawaii. The event has been hosted at multiple locations over the years with the most recent event being held at Kualoa Ranch on the windward side of Oahu. However, Kualoa Ranch has given HFBF notice that lands previously utilized for the farm fair are no longer available. HFBF has requested an area 10 acres in or near Whitmore Village for the purpose of hosting the 2025 Hawaii State Farm Fair.

REQUEST:

Staff requests that the Board authorize the Executive Director to execute and issue a Right of Entry (ROE) (Exhibit "A") to HFBF, for fieldwork consisting of laying ground cover, landscaping, and ingress and egress design for the 2025 Hawaii State Farm Fair in Whitmore, Oahu. (Request).

OPERATIONAL PLAN:

The farm fair is a two-day event and hosts approximately 15,000 attendees. The parking space and venue for the event will be located on ADC property. Activities include a petting zoo, food stalls, country market, agricultural equipment demonstrations, and other attractions.

CONSERVATION PLAN:

N/A

CHAPTER 343:

Under *Hawaii Revised Statutes* (HRS) §343-5(a), 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 or county lands.

In accordance with the Comprehensive Exemption List for the Agribusiness Development Corporation dated May 1, 2018, the subject Request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 10, item 9, which includes "Creation or termination of easements, covenants, or other rights in structures or land[.]" The Request is a de minimis action that will probably have minimal or no significant effect on the environment and should be declared exempt from the preparation of an environmental assessment.

DISCUSSION:

HFBF has conducted a rigorous search for alternative fairgrounds and most, for various reasons, have not been available or compatible with the purposes of the farm fair. The property proposed for the farm fair is already being prepared for agricultural activities by ADC, which includes laying ground cover, landscaping, and ingress and egress design. In lieu of a Memorandum of Understanding, which is still pending negotiations, ADC is issuing a ROE to give HFBF access to the property to prepare for the event. Apart from the work already-in-progress and ADC staff time, this activity will have a neutral effect on ADC income and budget.

RECOMMENDATION:

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

1. Approve the after-the-fact Request, subject to the following conditions:
 - a. HFBF shall obtain appropriate insurance to cover the event that shall indemnify ADC and the property, and
 - b. HFBF shall indemnify and hold harmless ADC from all claims, and
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 HRS Chapter 343.

Respectfully Submitted,


KEN NAKAMOTO
Project Manager

Approved for Submission:


Wendy Gady
Executive Director

RIGHT-OF-ENTRY AGREEMENT

THIS RIGHT-OF-ENTRY AGREEMENT (Agreement) is made and entered into by and between the HAWAII FARM BUREAU (GRANTEE) whose mailing address is P.O. Box 253, Kunia, HI 96759, and STATE OF HAWAII, AGRIBUSINESS DEVELOPMENT CORPORATION, (GRANTOR) whose mailing address is 235 S. Beretania Street, Ste. 205, Honolulu, HI, 96813, (each a "Party", and collectively "Parties").

WITNESSETH:

WHEREAS, GRANTEE desires a right-of-entry in and to that certain property located at Wahiawa, Oahu, identified as Tax Map Key number (1) 7-1-002:037; (1) 7-1-002:041; and (1) 7-1-002:044, which is more particularly outlined on the attached Exhibit "A" ("project area"), for fieldwork consisting of laying ground cover, landscaping, and ingress and egress design ("fieldwork"); and

WHEREAS, GRANTOR is the fee-owner of the Property; and

WHEREAS, GRANTOR wishes to cooperate with GRANTEE to allow the entry of GRANTEE and its officers, employees, contractors, and consultants (collectively "Grantee's Agents") on the Property for purposes of conducting fieldwork.

NOW, THEREFORE, in consideration of the premises and covenants contained herein, and other good and valuable considerations given, the Parties hereto mutually agree as follows:

1. GRANTOR hereby grants to GRANTEE and Grantee's Agents permission to enter upon the Property for the purpose of conducting fieldwork.
2. This Agreement shall be effective as of the execution date so noted below and shall expire on July 13, 2025 unless sooner terminated pursuant to Paragraph 13 below.
3. GRANTEE and Grantee's Agents shall maintain and exercise due care in conducting the fieldwork, and shall practice preventive measures to minimize any disturbance on or to the Property.
4. GRANTEE and Grantee's Agents shall not enter upon the Property prior to satisfying the requirements of Paragraph 16 to the satisfaction of GRANTOR. Notwithstanding Paragraph 12, failure to maintain the required policies of insurance under Paragraph 16 of this agreement may result in the immediate termination of this Agreement, subject to the sole discretion of the Executive Director.
5. GRANTEE shall provide GRANTOR with no less than twenty-four hours written notice prior to the commencement of any pump tests and related

activities and shall coordinate access to the Property with GRANTOR. Written notices shall be provided pursuant to Paragraph 20 below and may be provided via electronic mail.

6. Property shall only be accessed at access points approved in writing by GRANTOR. GRANTEE shall not cut any berms or damage any barriers to access the Property, build any improvements upon the Property, or otherwise alter the Property without the written approval of GRANTOR. GRANTEE shall ensure that there is no damage to access roads, interior roads, Property, or commit damage or nuisance upon surrounding properties.
7. GRANTEE and Grantee's Agents shall not cause or permit the escape, disposal or release of any hazardous materials except as permitted by law. GRANTEE and Grantee's Agents shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such materials, nor allow to be brought onto the right-of-entry area or Property any such materials except to use in the ordinary course of GRANTEE and Grantee's Agents' business, and then only after written notice is given to GRANTOR of the identity of such materials and upon the GRANTOR'S consent which consent may be withheld at the GRANTOR'S sole and absolute discretion. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by GRANTEE and Grantee's Agents, GRANTEE and Grantee's Agents shall be responsible for the cost thereof. In addition, GRANTEE and Grantee's Agents shall execute affidavits, representations, and the like from time to time at the GRANTOR'S request concerning GRANTEE and Grantee's Agents' best knowledge and belief regarding the presence of hazardous materials on the right-of-entry area or Property placed or released by GRANTEE and Grantee's Agents.
8. GRANTEE and Grantee's Agents agree to indemnify and hold GRANTOR harmless, from any damages and claims resulting from the release of hazardous materials or contaminants on the project area occurring while GRANTEE and Grantee's Agents is/are in possession, or elsewhere if caused by GRANTEE and Grantee's Agents. These covenants shall survive the expiration or earlier termination of this Agreement.
9. For purposes of this right-of-entry, "hazardous material" shall mean any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, or oil as defined in or pursuant to the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, the Federal Clean Water Act, or any other federal, state, or local environmental law, regulation, ordinance, rule, or by-law, whether existing

as of the date hereof, previously enforced, or subsequently enacted, provided however, that obligation to indemnify and hold harmless hereunder shall not apply to contractors who are only contracted to perform professional architectural, engineering, or surveying services on behalf of GRANTEE.

10. GRANTEE and Grantee's Agents agree to indemnify, release, and hold harmless GRANTOR from and against any and all costs, claims, suits, fines, damages, or causes of action of any kind for injury of any kind to any person, or damage to any property of any kind occasioned, in whole or in part, by GRANTEE'S actions or omissions arising out of the exercise of this Agreement. Further, GRANTEE agrees that GRANTOR shall not be liable, should GRANTEE suffer injury to its personnel or damage to its property as a result of work conducted upon the Property pursuant to this Agreement. GRANTEE shall not be liable or responsible for any property damage or conditions that existed prior to the GRANTEE'S exercise of the Agreement.
11. In the event of any unanticipated sites or remains such as bone or charcoal deposits, human burials, rock or coral alignments, paving's or walls are encountered in the course of pump tests, GRANTEE and Grantee's Agents, in the exercise of this Agreement, shall stop working immediately and contact the State of Hawaii, Department of Land and Natural Resources, Historic Preservation Division in Kapolei at (808) 692-8015. GRANTEE shall also notify GRANTOR immediately of any unanticipated finds during pump tests.
12. Any failure or breach by GRANTEE or GRANTOR to abide by the terms and conditions set forth herein shall constitute a breach of this Agreement. Upon written request, any breaching party shall be afforded a reasonable period of time within which to cure any said breach, such cure to be determined by the non-breaching party as acceptable to avoid breach. In the event additional costs are incurred by any party as a result of a breach of this Agreement, both parties shall bear their own costs, including any legal costs and fees incurred except as otherwise provided.
13. Notwithstanding any other provision contained herein, this Agreement is revocable at the will of GRANTOR, and can be canceled or terminated at any time and for any reason, including any breach or default hereunder, upon seven days written notice, sent via U.S. Postal Service, first class mailing, or electronic mail to GRANTEE at the address listed in Paragraph 20.
14. In the event this Agreement is terminated as provided herein, GRANTEE shall immediately remove any and all property of GRANTEE and Grantee's Agents physically located in the Property within seven days from receipt of notice of termination. Any property not timely removed shall be deemed

abandoned by GRANTEE and Grantee's Agents, and GRANTOR shall have the right to dispose of the property in any commercially reasonable manner.

15. Paragraphs 7, 8, and 14 shall survive the termination of this Agreement and shall be binding on the Parties, and their successors and assigns.
16. GRANTEE and Grantee's Agents shall procure and maintain, at its own cost and expense, in full force and effect throughout the term of this Agreement, the following policies of insurance:
 - a. Commercial general liability insurance with an insurance company or companies licensed or authorized to do business in the State of Hawaii with an AM Best rating of not less than "A-VIII" or other comparable or equivalent industry rating, in an amount of at least \$1,000,000 for each occurrence and \$2,000,000 aggregate, and with coverage terms acceptable to the Executive Director of the Agribusiness Development Corporation. The policy or policies of insurance shall name the "State of Hawaii, Agribusiness Development Corporation" as an additional insured. A copy of the policy or other documentation required by the GRANTOR shall be filed with the GRANTOR. The insurance shall cover the entire Property, including all buildings, improvements, and grounds and all roadways or sidewalks on or adjacent to the Property.
 - b. Comprehensive automobile liability insurance covering all owned, hired, or non-owned vehicles, including the loading or unloading thereof on the Property. The policy coverage limits shall not be less than \$1,000,000.
 - c. Workers' Compensation insurance affording statutory limits, and employers' liability coverage with limits of no less than \$1,000,000 covering all persons admitted to the Property under the terms of this Agreement.

The GRANTEE, prior to the entry and use of the Property or within 15 days after the effective date of this Agreement, whichever is sooner, shall furnish the GRANTOR with a policy(s) or other documentation required by the GRANTOR showing the policy(s) to be initially in force, keep the policy(s) or other documentation required by the GRANTOR on deposit during the entire term of the Agreement, and furnish a like policy(s) or other documentation required by the GRANTOR upon each renewal of the policy(s). This insurance shall not be cancelled, limited in scope of coverage, or nonrenewed until after 30 days written notice has been given to GRANTOR and GRANTEE. GRANTOR may at any time require the GRANTEE to provide GRANTOR with copies of the insurance policy(s) that are or were in effect during the Agreement term or other documentation required by the GRANTOR.

The GRANTOR shall retain the right at any time to review the coverage, form, and amount of the insurance required by this Agreement. If, in the opinion of the GRANTOR, the insurance provisions in this Agreement do not provide adequate protection for the GRANTOR, the GRANTOR may require GRANTEE to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. The GRANTOR'S requirements shall be reasonable but shall be designed to assure protection for and against the kind and extent of the risks which exist at the time a change in insurance is required. The GRANTOR shall notify GRANTEE in writing of changes in the insurance requirements and GRANTEE shall deposit copies of acceptable insurance policy(s) or other documentation required by the GRANTOR thereof, with the GRANTOR incorporating the changes within 30 days after receipt of the notice.

The procuring of the required policy(s) of insurance shall not be construed to limit GRANTEE'S liability under this Agreement nor to release or relieve GRANTEE of the indemnification provisions and requirements of this Agreement. Notwithstanding the policy(s) of insurance, GRANTEE shall be obligated for the full and total amount of any damage, injury, or loss caused by GRANTEE'S or Grantee's Agent's negligence or neglect connected with this Agreement.

It is agreed that any insurance maintained by the GRANTOR will apply in excess of, and not contribute with, insurance provided by the GRANTEE'S policy(s).

17. This Agreement shall be governed by the laws of the State of Hawaii in effect on the execution date noted below, or as may be lawfully enacted thereafter, and without reference to the principles governing conflict of laws or choice of laws applicable in any other jurisdiction.
18. GRANTEE agrees that this Agreement does not in any way convey a real property interest in the Property to the GRANTEE.
19. GRANTEE shall not use the Property, nor permit the Property to be used in support of any policy that unlawfully discriminates against anyone based upon race, color, national origin, sex, age, disability, or any other class as protected under applicable federal or state law. GRANTEE shall not practice any unlawful discrimination based upon race, color, national origin, sex, age, disability, or any other class as protected under applicable federal or state law.
20. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give the other party shall be in writing, sent to the address noted below (or such other address as a party may

designate in writing to the other party), and given by delivering such notice in person or by commercial courier; by sending it by first-class mail, certified mail, return receipt requested; or by electronic mail as may be permitted elsewhere in this Agreement.

GRANTOR: Agribusiness Development Corporation
Attention Executive Director
235 S. Beretania St., Ste. 205
Honolulu HI, 96813

Email: dbedt.adc@hawaii.gov
Phone: (808) 586-0186

GRANTEE: Hawaii Farm Bureau
Attention Brian Miyamoto
P.O. Box 253
Kunia, HI 96759

Email: Brian@hfbf.org
Phone: (808) 371-3574

(The remainder of this page is intentionally blank)

IN WITNESS WHEREOF, the parties hereto have executed this Right-of-Entry Agreement this ____ day of _____, 2025.

GRANTOR:

By: _____
Wendy L. Gady
Its: Executive Director

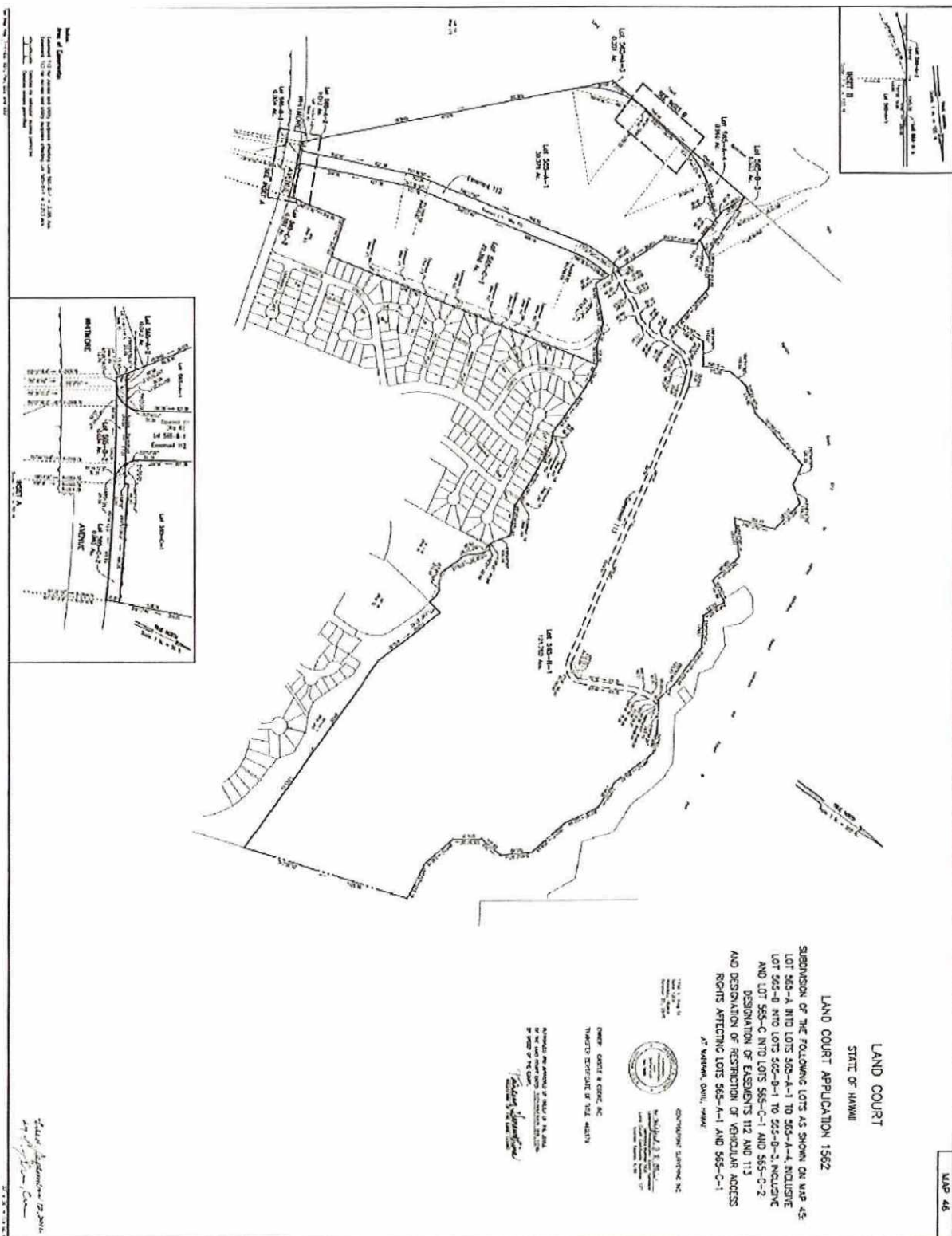
APPROVED AS TO FORM:

Delanie Prescott-Tate
Deputy Attorney General

GRANTEE:

By: _____
Brian Miyamoto
Its: President, Hawaii Farm Bureau

EXHIBIT A



STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

E-12

STAFF SUBMITTAL TO THE BOARD OF DIRECTORS

June 26, 2025

Subject: Request to authorize the executive director to execute that certain Disposition Agreement between the Agribusiness Development Corporation, Hawaii Department of Agriculture, and Sustainable Hawaii, LLC for the acquisition of certain properties related to Wahiawa Irrigation System in Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 7-1-012-003; :004; :007; :014; (1) 7-1-001-013; :017

Applicant: Agribusiness Development Corporation (ADC)

Authority: Section 163D-4(a)(6), Hawaii Revised Statutes (HRS),
2023 Haw. Sess. Laws Act 218

Request to authorize the executive director to execute that certain Disposition Agreement between the Agribusiness Development Corporation, Hawaii Department of Agriculture, and Sustainable Hawaii, LLC for the acquisition of certain properties related to Wahiawa Irrigation System in Wahiawa, City & County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 7-1-012-003; :004; :007; :014; (1) 7-1-001-013; :017
June 26, 2025

BACKGROUND:

2023 Haw. Sess. Laws Act 218, section 3 at 738-739 (Act 218) authorized the State of Hawaii Department of Land and Natural Resources, the State of Hawaii Department of Agriculture (HDOA), and the State of Hawaii Agribusiness Development Corporation (ADC) (collectively, the “State”) to acquire the Wahiawa Irrigation System (WIS). Sustainable Hawaii, LLC (SH) is the fee simple owner of the spillway and several other parcels that belong to the WIS. The State has agreed to the terms and conditions under which SH will convey these certain fee simple properties to HDOA and ADC.

REQUEST:

Request that the ADC Board of Directors (Board) authorize the executive director to execute the Disposition Agreement (Exhibit “A”) between ADC, HDOA, and SH (Request).

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 action is exempt from the preparation of an environmental assessment under section 11-200.1-15(c)(9), Hawaii Administrative Rules (HAR) “acquisition of land and existing structures...”

DISCUSSION:

Act 218 authorized the acquisition of various properties associated with WIS and appropriated funds therefor. The State conducted its due diligence and has determined that acquisition of SH fee simple property is in the best interest of the State.

RECOMMENDATION:

Based on the foregoing, staff recommends that the Board:

1. Approve the Request; and
2. Declare that pursuant to §11-200.1-15(c)(9) HAR, the action is exempt from the preparation of an environmental assessment.

Respectfully Submitted,



WENDY L. GADY
Executive Director