JOSH GREEN, M.D.
GOVERNOR

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
BOARD OF DIRECTORS

235 SOUTH BERETANIA STREET, ROOM 205
HONOLULU, HAWAIʻI 96813

Notice of Annual Meeting of the Board of Directors

In-Person Meeting with Videoconference Accessibility

THURSDAY, JULY 16, 2026
9:00 a.m.

Pursuant to section 92-3.7, *Hawaiʻi Revised Statutes* (HRS), this meeting will be convened at the designated physical location. Board members, staff, and members of the public are invited to attend in person. If you are unable to join in person, remote participation is supported online 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 have 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 St., Ste 204
Honolulu HI 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 is allowed up to two minutes of testimony per agenda item pursuant to determination of the Board on November 20, 2025.

Public and board participation is available in person at the in-person site, or remotely via interactive conference technology (ICT):

ICT: https://us06web.zoom.us/j/82555844485

Telephone: (669) 900-6833, Webinar ID: 825 5584 4485

In-Person: State Office Tower
235 S. Beretania St., Ste 204

Honolulu HI 96813

ICT ACCESS
To view the meeting and provide live oral testimony, please use the link above. You will be asked to enter your name in order to access the meeting as an attendee. The Board requests that you enter your full name, but you may use a pseudonym or other identifier if you wish to remain anonymous. You will also be asked for an email address. You may fill in this field with any entry in an email format, e.g. abcd@efgh.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 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 is allowed up to two minutes of testimony per agenda item pursuant to determination of the Board on November 20, 2025.

TELEPHONE ACCESS
If you do not have ICT access, you may get audio-only access by calling the telephone number listed above.

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

When the Chairperson asks for public testimony, you may indicate you want to testify by entering “ * ” and then “9” on your telephone’s keypad. After entering “ * ” and then “9”, a voice prompt will let you know that the host of the meeting has been notified. When recognized by the Chairperson, you may unmute yourself by pressing “ * ” and then “6” on your telephone. A voice prompt will let you know that you are unmuted. Once you are finished speaking, please enter “ * ” and then “6” again to mute yourself.

For ICT, telephone, and in-person access, when testifying, you will be asked to identify yourself and the organization, if any, that you represent. Each testifier is allowed up to two minutes of testimony per agenda item pursuant to determination of the Board on November 20, 2025.

IN-PERSON ACCESS
Public and board participation is available in person at the in-person site listed above, or remotely via interactive conference technology (ICT). That meeting will be held at:

> Agribusiness Development Corporation
> State Office Tower
> 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 is allowed up to two minutes of testimony per agenda item pursuant to determination of the Board on November 20, 2025.

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. If 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.

Materials for this agenda will be available for review in the ADC office at 235 S. Beretania St., Ste 205, Honolulu Hawai‘i, 95813 a minimum of 72 hours (weekend and state and federal holidays excluded) prior to the meeting.

Agribusiness Development Corporation Non-Discrimination Statement

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

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

Mark Takemoto
Acting Title VI Non-Discrimination Coordinator
Agribusiness Development Corporation
235 S Beretania St., Ste 205

Honolulu HI 96813
Phone: (808) 586-0186
Email: 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 items may be taken out of order.

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AGENDA

A. Roll Call & Call to Order

B. Approval of Minutes

1. Regular Board Meeting, Regular Session, November 21, 2025

2. Regular Board Meeting, Regular Session, December 18, 2025

3. Regular Board Meeting, Regular Session, January 15, 2026

4. Regular Board Meeting, Regular Session, February 19, 2026

5. Regular Board Meeting, Regular Session, April 15, 2026

C. Chairperson's Report

1. Chairperson's recap of agency activities and projects in fiscal year 2026.

2. Chairperson's welcome to new Board Member Joshua Uyehara (July 1, 2026 – June 30, 2030).

D. Committee & Permitted Interaction Group Reports

1. Presentation of the report and findings of the permitted interaction group to examine agency support for the Hawai'i Department of Education local food procurement goals.

E. Action Items

1. Request for approval to execute a first amendment to the memorandum of agreement between the Agribusiness Development Corporation and the Hawai´i Community Development Authority to provide project management for the development of the Central O'ahu Agricultural and Food Hub, District of Wahiawā, City & County of Honolulu, State of Hawai'i, Various Tax Map Key Nos.

2. Request to authorize the Executive Director to negotiate and execute a Right of Entry Agreement between the Agribusiness Development Corporation and the University of Hawai'i College of Tropical Agriculture and Human Resilience for the evaluation of sites for a biolab facility, situated at Whitmore Village, District of Wahiawā, City and County of Honolulu, State of Hawai'i, Tax Map Key Nos. (1) 7-1-002:037 (portion); (1) 7-1-002:041 (portion); (1) 7-1-002:044 (portion);

(1) 7-1-001:005 (portion); and delegate authority to the Executive Director to commit in writing that the Agribusiness Development Corporation will lease a portion of land to the University of Hawaii to site a biolab facility, for purposes a grant proposal.

3. Election of officers to the Board of Directors for the positions of Chairperson, Vice-Chairperson, Secretary, and Treasurer for a one-year term commencing July 16, 2026, and expiring following a duly noticed board meeting in July 2027.

F. Informational Items

1. Comprehensive status report regarding the delivery of water to the disadvantaged farmers situated at Paʻalaʻa uka, District of Waialua, City and County of Honolulu, State of Hawaiʻi, Tax Map Key No. (1) 6-4-003:016.

2. Executive Director's Report, including recent legislation affecting the agency, land acquisitions, Waiāhole Water System bond payoff, Food & Product Innovation Network funding, and operational budget. Click here for weekly reports to the Board of Directors.

G. Adjourn

The Board may go into executive session on any agenda item pursuant to the exceptions provided under section 92-5, Hawaiʻi Revised Statutes. Agenda items may be taken out of order at the discretion of the Chair.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held In-Person and Virtually on November 20, 2025
Via Zoom Teleconference and In-Person at Big Island

Pursuant to section 92-3.7, Hawaii Revised Statutes (HRS), this meeting was held in-person and remotely with Board members, Staff, Presenters, and the Public participating via Zoom meeting venue, and In-Person at Big Island

Members in Attendance, In-Person and Virtually:

Jayson Watts, Chair (Chair Watts)
Jesse Cooke, Honolulu City and County member (Member Cooke)
Glenn Hong, member-at-large (Member Hong)
Sharon Hurd, HDOA ex officio member (Member Hurd)
Ciara Kahahane, designee for DLNR ex-officio member (Member Kahahane)
Dean Okimoto, member-at-large (Member Okimoto)
Jason Okuhama, Vice Chair, member-at-large (Vice Chair Okuhama)
Karen Seddon, member-at-large (Member Seddon)
Nathan Trump, Hawaii County member (Member Trump)
Jayson Watts, Maui County member (Chair Watts)
Dane Wicker, designee for DBEDT ex officio member (Member Wicker)

Members Absent/Excused:

None

Counsel Present, virtually:

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

Staff Present, In-Person and Virtually:

Wendy Gady, Executive Director (Ms. Gady)
Ingrid Hisatake, Executive Secretary (Ms. Hisatake)
Lyle Roe, Asset Manager (Mr. Roe)
Alison Neustein, Property Manager (Ms. Neustein)
Ken Nakamoto, Project Manager (Mr. Nakamoto)

Guests Present, In-Person:

Jun Yang, Governor's Homeless Coordinator, Statewide Office on Homelessness and Housing Solutions
Ted Kefalas, Grassroots Institute of Hawaii
Jared Redulla, Deputy Director, Hawaii Department of Law Enforcement
Leslie Nugent, Hawaii County Department of Research and Development
Dennis Lin, Deputy Director, Hawaii County R&D
Glenn Sako, Hawaii County R&D
Suzanne Shriner, Senator Schatz Agriculture Council
Dana Shapiro, Hawaii 'Ulu Cooperative
Nicole Galase, Managing Director, Hawaii Cattlemen's Council & Hawaii Rangeland Stewardship Foundation

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held In-Person and Virtually on November 20, 2025
Via Zoom Teleconference and In-Person at Big Island

Jeff Clark, Chief Operating Officer, Olson Trust; President, Hamakua Macadamia Nut Company
Laurence Sombardier, Deputy Director, NELHA (Natural Energy Laboratory Hawaii Authority)
Lenny Feder, Owner, Hawaii Farming
Senator Tim Richards, Vice Chair of Agriculture and Chair of Hawaiian Affairs Committee
Representative Kirstin Kahaloa, House Majority Caucus Leader
Yvonne Yoro, Office of Representative Perusso
TJ Cuaresma, Wahiawa Community Member (Public Testifier)

A. Call to Order

[~9:07 AM] Chair Watts called the meeting to order at 9:07 AM. Ms. Hisatake provided instructions to the public on how to participate in this hybrid meeting via Zoom video conference, telephone, or in person.

Chair Watts conducted a roll call of the board. Each board member was called by name and asked to verbally acknowledge their presence and state who, if anyone over the age of 18, was present in the room with them. Chair Watts stated that the roll call also served as a roll call vote: for each subsequent vote, he would ask if there were any objections or abstentions, and if there were none, the motion would be approved on the same basis as the initial roll call.

Roll Call:

Member Cooke – Present
Member Hinazumi – Present
Member Hong – Present (noted people in the room)
Member/Chair Hurd – Present
Member Kahahane – Present (alone)
Member Okimoto – Present
Member/Vice Chair Okuhama – Present
Member Seddon – Present (alone)
Member Trump – Present
Chair Watts – Present
Member Wicker – Present (alone)

All eleven (11) board members were confirmed present. A quorum was established.

B. Approval of Minutes

1. **Regular Session Minutes, August 2025 (deferred from October 16, 2025)**

[~9:12 AM] **Motion** by Member Trump to approve the Regular Session Minutes of August 2025. **Second** by Vice Chair Okuhama.

Vice Chair Okuhama recused himself from voting as he was not present at the August 2025 meeting. He noted corrections on Pages 9 and 16 of the draft minutes: (1) a reference to “$70 billion” should read “$70 million,” and (2) the term “hard hung” should read “hard valve.” Deputy Attorney General Waihee-Polk advised that if the board wished to make corrections, the motion could be approved subject to those changes, or the item could be deferred to allow staff to verify the corrections against the original recording.

Chair Watts requested that Member Trump withdraw his motion and that staff triple-check the minutes. Member Trump withdrew the motion. Vice Chair Okuhama withdrew the second.

The minutes item was DEFERRED for staff to review and correct. No vote taken.

C. Chairperson's Report

[~9:11 AM] Chair Watts stated there was no Chairperson's Report.

D. Committee & Permitted Interaction Group Reports

1. **Presentation of the Report and Findings of the Colorado Kitchen and Slaughterhouse Permitted Interaction Group – presented by Chair Jesse Cooke**

[~9:12 AM] Member Cooke presented the findings of the site visit to Colorado, which included Board Members Cooke, Wicker, and Okimoto, along with staff members Wendy Gady and Anela. The group visited the Boulder Valley School District regional kitchen and Innovative Foods, a small animal livestock slaughterhouse. Key takeaways included:

- The slaughter facility processed approximately 2,000 head of lamb per day (all halal), obtaining a premium price.
- The regional kitchen served 17,000 meals per day at $2.50 per meal (compared to Hawaii's current $9.00 per meal).
- 40% of the kitchen's food was sourced from local farmers, exceeding the Colorado DOE's 30% mandate.
- 44% of students participated in the meal program; 70% of meals were scratch-cooked.
- Payment terms to farmers were net 7–10 days (compared to industry standard net 30).
- Annual menu planning process allowed farmers to plan crops in advance based on kitchen needs.
- Off-grade produce was accepted and used on salad bars.

Discussion followed among Chair Watts, Member Hong, Member Cooke, and Executive Director Gady on the cost differential, federal reimbursement rates, and the potential for a central kitchen to reduce Hawaii's per-meal costs below $6.00.

Chair Watts asked if there were any members of the public who wished to offer testimony on this agenda item.

Ms. Hisatake reported there was no public testimony.

No motion or vote was required for this informational report.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held In-Person and Virtually on November 20, 2025
Via Zoom Teleconference and In-Person at Big Island

E. Action Items

1. **Request for Approval to Authorize the Executive Director to Facilitate the Acquisition of the Fee Interest or Easement of the Upper Halemaʻa Reservoir, Wahiawa, Honolulu, Tax Map Key No. 16-4-004-007 (portion)**

[~9:21 AM] **Motion** by Vice Chair Okuhama. **Second** by Member Hurd.

Staff Presentation by Mr. Roe: The nature of the acquisition (easement, full parcel purchase, or subdivision) remains to be determined through due diligence. The property is 222 acres and the reservoir has a maximum storage capacity of 228 million gallons. This acquisition would help guarantee water access for ADC parcels in the Paʻalaoʻakuka/Wahiawa area. The board would receive a full due diligence report before any final action.

Board discussion included questions from Vice Chair Okuhama and Member Kahahane regarding proximity to existing parcels, reservoir condition (rated poor in 2020 assessment), rehabilitation plans, and timeline. Mr. Roe and Member Kahahane confirmed the board would review any negotiated purchase and sale agreement before ADC proceeds.

Chair Watts asked if there were any members of the public who wished to offer testimony. Ms. Hisatake reported there was no public testimony.

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

[~9:27 AM] **Vote**: Hearing no objections or abstentions, the motion was unanimously approved: 11–0.

2. **Request for Approval to Authorize the Executive Director to Facilitate Due Diligence and Evaluation of Commercial Property at Whitmore Village, Wahiawa, Honolulu, Tax Map Key No. 17-1-006-001 (portion)**

[~9:29 AM] **Motion** by Member Trump. **Second** by Member Okimoto.

Staff Presentation by Mr. Roe: The property on Whitmore Avenue currently includes a restaurant (Merlina's Kitchen), a fuel/food mart station, and potentially a junkyard. This is a first step to begin due diligence. The intent is to incorporate local food access through the food mart and to showcase local produce. An environmental assessment (Phase 1 and Phase 2) will be part of due diligence due to the fuel station and junkyard. FY26 budget allocation: $500,000; FY27: approximately $5–6 million for purchase.

Member Wicker added that the property could serve as an aggregation facility to feed the regional kitchen, host DOA/biosecurity mobile lab, and expand warehouse capacity. Member Cooke asked about the $500,000 allocation. Member Hong raised concerns about underground storage tanks and potential environmental contamination.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held In-Person and Virtually on November 20, 2025
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Public Testimony: TJ Cuaresma (former Whitmore Village resident, current Wahiawa resident) urged compliance with EPA and Department of Health regulations during due diligence, noting the gas station is still operating.

Chair Watts asked if there were any further objections or abstentions.

[~9:36 AM] **Vote**: Hearing none, the motion was unanimously approved: 11–0.

3. **Request for Approval to Issue a New License Agreement to Kun Hu Farm LLC for 136 Gross Acres, More or Less, of PU-02, for Diversified Agriculture Use in Wahiawa, Oahu, Tax Map Key No. 16-5-005 (portion of 009)**

[~9:37 AM] **Motion** by Member Cooke. **Second** by Vice Chair Okuhama.

Staff Presentation by Ms. Neustein: New lease to generate $244,800 per year in rents for ADC. Applicants were approved by the board in November 2024 and have 40 years of farming experience. A 50% rent reduction ($900/acre/year) is requested for the first six months due to the neglected condition of the lots. The license includes a water service agreement with Dole and a requirement to obtain a Good Agricultural Practice (GAP) certificate within two years. Member Hong noted the comma placement error in the stated rental rate; Ms. Neustein clarified the annual rent is $244,800.

Chair Watts asked if there were any members of the public who wished to offer testimony. Ms. Hisatake reported there was no public testimony.

Chair Watts asked if there were any objections or abstentions.

[~9:40 AM] **Vote**: Hearing none, the motion was unanimously approved: 11–0.

4. **Request for Approval to Issue a New License Agreement to Teng Da, Inc. for 90 Gross Acres, More or Less, of PU-04 and PU-05, for Agriculture Use in Wahiawa, Oahu, Tax Map Key Nos. 16-5-001 (portion 056) and 16-5-05 (portion 009)**

[~9:42 AM] **Motion** by Member Okimoto. **Second** by Member Trump.

Staff Presentation by Ms. Neustein: Two lots totaling 90 gross acres in Paʻalaʻakuka. Same terms and conditions as Agenda Item E-3, including the 50% reduction for the first six months. Applicant has approximately 15 years of farming experience on Oahu.

Vice Chair Okuhama noted the significant increase in rental revenue to ADC, while the rate was set below market to remain accessible for farmers.

Ms. Gady noted that current farmers on comparable mainland parcels pay $6,000/acre/year, and are enthusiastic about ADC's pricing.

Chair Watts asked if there were any members of the public who wished to offer testimony. Ms. Hisatake reported there was no public testimony.

Chair Watts asked if there were any objections or abstentions.

[~9:44 AM] **Vote**: Hearing none, the motion was unanimously approved: 11–0.

5. **Request for Approval to Issue a New License Agreement to Anurat Farms LLC for 6 Gross Acres, More or Less, of GA-03, for Agriculture Use in Wahiawa, Oahu, Tax Map Key No. 17-1-012-001 (portion) [Note: Agenda listed 136 acres; corrected to 6 acres on the record]**

[~9:45 AM] **Motion** by Member Okimoto. **Second** by Vice Chair Okuhama.

Staff Presentation by Ms. Neustein: This is the last available parcel in the corporate (GA) area. The parcel is 6 acres. The applicant was unable to attend. Ms. Gady noted the applicant was enthusiastic about the location even though only 6 acres were available.

Discussion: Member Okimoto inquired about the acreage discrepancy. Chair Watts and Deputy AG Waihee-Polk confirmed that the submittal and agenda read 6 acres, and that the board was voting with the understanding that the license is for 6 acres. This clarification was placed on the record.

Member Wicker noted that after all pending approvals, approximately 96% of ADC's farmable acreage on Oahu would be occupied.

Chair Watts asked if there were any members of the public who wished to offer testimony. Ms. Hisatake reported there was no public testimony.

Chair Watts asked if there were any objections or abstentions.

[~9:48 AM] **Vote**: Hearing none, the motion was unanimously approved: 11–0.

6. **Request for Approval to Execute a Memorandum of Agreement Between ADC and the University of Hawaii to Develop a Proof of Concept Study for an Entrepreneurial Product Manufacturing Facility on the Islands of Maui and Kaua'i**

[~9:49 AM] This agenda item was DEFERRED. Ms. Gady informed the board that the MOA had not been fully vetted by the Attorney General's office. No motion, no vote.

7. **Request for Approval to Execute a Memorandum of Agreement Between ADC and the University of Hawaii to Develop a Proof of Concept Study for an Egg Cracking Facility on the Island of Oahu**

[~9:49 AM] **Motion** by Member Trump. **Second** by Member Hong.

Staff Presentation by Mr. Nakamoto: ADC received a CIP appropriation to acquire land and develop an egg cracking facility. This MOA partners ADC with the University of Hawaii Community Design Center (UHCDC) to develop a proof of concept study, including community engagement, stakeholder engagement, a business plan, feasibility components, and bridging documents.

Public Testimony: TJ Cuaresma testified requesting that ADC proactively engage the Wahiawa community regarding the project, noting the facility would be located on Kilani Avenue and would affect community traffic and infrastructure. She requested ADC present at the January neighborhood board meeting.

Mr. Nakamoto clarified this was the board's first action on the item and confirmed the proof of concept study includes community engagement as a primary component. Chair Watts committed to ensuring ADC staff participates in neighborhood board meetings. Executive Director Gady accepted Ms. Cuaresma's invitation to attend the January 19th neighborhood board meeting.

Board discussion: Member Hong raised logistics concerns about transporting eggs from production sites to the proposed Kilani Avenue location. Members Okimoto and Wicker explained rationale for the Wahiawa/Kilani Avenue site, including proximity (3.6 miles) to the main egg producer (Waialua Fresh Egg Farm), existing commercial infrastructure, and the proximity to the planned Whitmore regional kitchen. Member Hurd noted the food bank could also use liquid eggs.

Chair Watts asked if there were any further members of the public who wished to offer testimony. Ms. Hisatake reported there was none.

Chair Watts asked if there were any further objections or abstentions.

[~10:05 AM] **Vote**: Hearing none, the motion was unanimously approved: 11–0.

8. **Request for Board Action to Adopt a Written Rule Establishing a Two-Minute Time Limit for Public Oral Testimony at ADC Board Meetings**

[~10:05 AM] Deputy AG Waihee-Polk explained the background: The Office of Information Practices (OIP) notified the board that time limits on oral testimony must be adopted in writing or by rule per HRS §92-3. No written rule could be located for this board. The purpose of this agenda item is to allow the board to formally adopt a time limit.

Chair Watts proposed a two-minute limit, consistent with the Department of Agriculture.

[~10:08 AM] **Motion** by Chair Hurd to approve a two-minute time limit for public testifiers during board meetings. **Second** by Member Cooke.

Board discussion: Member Hurd noted that a visible timing mechanism (such as an on-screen timer) would be needed for enforcement. Ms. Hisatake acknowledged the requirement.

Chair Watts asked if there were any members of the public who wished to offer testimony. There was no public testimony.

Chair Watts asked if there were any further objections or abstentions.

[~10:09 AM] **Vote**: Hearing none, the motion was unanimously approved: 11–0.

9. **Request to Form a Permitted Interaction Group (PIG) to Support the Department of Education's Local Food Procurement Goals**

[~10:10 AM] **Motion** by Member Okimoto. **Second** by Chair Hurd.

Chair Watts described the PIG's purpose: to ensure farmers are prepared for institutional purchasing requirements; work closely with HIDOE on expectations; identify barriers and opportunities for farmers to participate in institutional markets; explore opportunities to expand the institutional food pipeline; and provide recommendations to the board on policy or operational actions.

Chair Watts asked if there were any members of the public who wished to offer testimony. Ms. Hisatake reported there was no public testimony.

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

[~10:12 AM] **Vote**: Hearing no objections or abstentions, the motion was approved: 10–0. (Chair Watts stated 10 ayes on the record.)

Chair Watts appointed Member Jesse Cooke, Member Jason Okuhama, and Member Glenn Hong to the Permitted Interaction Group.

[~10:13 AM] Chair Watts called a 10-minute recess. The meeting recessed at approximately 10:13 AM and was called back to order at 10:27 AM.

F. Informational Items

Chair Watts noted that the following items are for information and discussion only and require no motion or vote.

1. **Presentation by Jun Yang, Governor's Homeless Coordinator, Statewide Office on Homelessness and Housing Solutions – Proposal to Develop a Kauhale Project at Villa Kinau, Wahiawa, Tax Map Key No. 17-3-013-010**

[~10:28 AM] Mr. Yang provided an overview of the Kauhale Initiative, which builds small village communities to support individuals experiencing homelessness. He presented a proposal to utilize approximately five acres of ADC-owned land at Villa Kinau, Wahiawa (currently designated for aquaculture, currently unused) for:

Phase 1: Kauhale units (30–60 modular housing units) to serve the estimated 130 or more unsheltered individuals in the Wahiawa area.
Phase 2: Workforce/affordable housing development on remaining approximately three acres, with ADC participation.

Mr. Yang noted that his office has approximately $4.5 million in CIP funds designated for Wahiawa and proposed covering approximately $900,000 for site preparation of the entire five-acre parcel. He requested a right of entry (ROE) as a first step, noting that a Board of Land and

Natural Resources (BLNR) designation change would also be required. Mr. Roe noted ADC staff would bring a formal ROE request to the December or a future board meeting.

Board discussion: Senator Tim Richards and Representative Kahaloa asked questions regarding cost savings ($400M statewide estimate), statutory land use considerations, traffic, and connectivity to agricultural workforce housing.

Member Hurd expressed support for housing but cautioned that ADC's mission is agriculture and that Ag land should not be converted to housing broadly. She stated she would vote in favor when the ROE comes forward.

Vice Chair Okuhama asked whether units would be permanent or mobile; Mr. Yang confirmed they would be on foundation.

Public Testimony: TJ Cuaresma urged greater community engagement, raised traffic concerns, questioned infrastructure capacity, and suggested an alternative site (former car lot on Villa Kinau Drive near Schofield). She also asked the office to investigate the historical and cultural significance of the land before proceeding.

Yvonne Yoro (Office of Representative Perusso) also urged more public engagement and echoed traffic concerns.

No motion or vote was required for this informational item.

2. **Presentation by Ted Kefalas, Grassroots Institute of Hawaii – Agricultural Workforce Housing**

[~11:06 AM] Mr. Kefalas presented findings on barriers to building farm worker housing on agricultural land in Hawaii. Key points:

41% of farms report labor shortages, a key driver of which is housing.
Each county has different rules for farm worker housing, creating inconsistency.
Big Island: 187 permits approved since 2015; 1 denied. Relatively streamlined by-right process.
Honolulu: New 2025 ordinance; 800 sq ft limit, no permits yet filed.
Kauai: 5 farm dwellings + 5 guest houses by-right; only 4 farm worker housing units approved since 2010 via discretionary process.
Maui: 1,200 permits in 12 years mostly via by-right process.

Proposed solutions: Statewide standards for farm worker housing; expansion of ADU/tiny home allowances; pre-approved building plans; legalization of safe unpermitted units; streamlined permitting.

Public Testimony: Lenny Feder (Owner, Hawaii Farming) testified in support, noting his operation houses 40 of its 80 employees and that permitting is a major constraint to expansion.

No motion or vote was required for this informational item.

AGRIBUSINESS DEVELOPMENT CORPORATION
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3. **Presentation by Jared Redulla, Deputy Director, Hawaii Department of Law Enforcement – Potential Operations in Whitmore Village**

[~11:31 PM] Deputy Director Redulla presented on the Department of Law Enforcement's (DLE) new agricultural crime enforcement strategy, enacted under "Duke's Law" (2025 legislature), named in memory of a rancher killed by poachers.

Key points: DLE will use the Whitmore Village ADC site as its Oahu agricultural enforcement hub due to strategic proximity to central Oahu farms and freeway access. The unit will use data-driven law enforcement, license plate readers, and drones. New criminal penalties under Duke's Law are significant, with mandatory jail time for agricultural trespass.

Agricultural Crime Tip Line: 808-427-3323 or electronically at law.hawaii.gov.

Board discussion: Chair Hurd noted that with a 5% conviction rate, 80% of agricultural crimes could be reduced (same few offenders responsible for most crimes). Chair Watts asked about protocols for ADC tenants reporting crimes and clarified whether crimes on state-leased agricultural land carry enhanced penalties. Deputy Redulla confirmed Duke's Law provides significantly enhanced penalties for crimes on agricultural lands.

Ms. Gady asked about coverage on Kauai; Deputy Redulla confirmed tips from all counties are accepted, even though current special project funding focuses on Oahu and Hawaii County.

No motion or vote was required for this informational item.

4. **Presentation by Leslie Nugent, Hawaii County Department of Research and Development – Strategic Planning Efforts for Improving the Island's Agricultural Systems**

[~11:46 PM] Ms. Nugent, along with Glenn Sako (agriculture specialist), presented Hawaii County R&D's agriculture and food systems programs, including:

$5.2 million in ARPA funds directed to agriculture: $2.5M for shared kitchen construction upgrades (7 facilities), $500K technical assistance, $500K for food security grants, $700K Malama Da Farmer grants to 32 producers, and soil input support.
A five-year Agriculture and Food Systems Plan currently in development, with an Agri Policy Summit scheduled for December 11th.
Action planning sessions in January/February 2026 open to board members and stakeholders.

Member Trump expressed hope that ADC's statewide plans could incorporate the county's action items. Chair Watts noted ADC's role is to support and complement, not replace, existing county and community efforts.

No motion or vote was required for this informational item.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held In-Person and Virtually on November 20, 2025
Via Zoom Teleconference and In-Person at Big Island

5. **Presentation by Suzanne Shriner, Senator Schatz Agriculture Council – Efforts to Promote Hawaii Agriculture**

[~12:04 PM] Ms. Shriner presented on the Senator Schatz Agriculture Council's (SHAC) work covering coffee, macadamia nuts, floriculture, papaya, and cacao. Highlights:

SHAC is a cooperator under USDA Foreign Agriculture Service with $1.35M in marketing funds through 2030 for Taiwan, Dubai, Japan, and South Korea markets, plus annual grants for China, Taiwan, and Canada.
Export premium for Hawaii products: 20–30% above mainland prices in Asian markets.
Breaking news (not yet publicly announced): Senator Schatz included language in the Senate Appropriations Bill requiring 51% minimum Hawaii content for any coffee marketed under a Hawaii brand name. Member Hurd confirmed this would supersede existing state law (2027 deadline) and that coordination with FDA and state DAB is ongoing.
Macadamia nut industry concerns: Hawaii production declining from 15,000 to potentially 10,000 tons by 2029, while South Africa, China, and Australia are growing. New labeling law changes in January 2026 may help.
Coffee industry needs: Replanting (5,000 acres, 800 trees/acre), mechanization, tissue culture facility, next-generation farmers.
Floriculture: SHAC supports tissue culture and workforce development. Orchids can generate approximately $500K/half acre.
Loss of USAID funding estimated at $14–18 million to the industry over five years.

Member Okimoto raised the issue of labeling lei flowers (particularly orchids and pikake) and called for legislation requiring that local flowers be labeled as such.

No motion or vote was required for this informational item.

6. **Presentation by Dana Shapiro, Hawai'i 'Ulu Cooperative – Work and Goals**

[~12:39 PM] Ms. Shapiro provided an update on the Hawaii 'Ulu Cooperative (co-op), a farmer-owned agricultural marketing cooperative with over 210 members statewide, focused on revitalizing 'ulu as an economically viable crop and dietary staple. Key updates:

Current production: approximately 600,000 pounds/year; target 2M pounds by 2035 across 'ulu and co-crops (kalo, 'awa, papo'i).
The co-op supplies HIDOE with frozen 'ulu, frozen kalo, and 'ulu flour (on breakfast and lunch menus).
Processing facilities: Kona (Honalo Marshalling Yard, DAB-owned); Hilo (Hamar Schools facility). Construction permits issued; capacity expanding from 500K to 2M pounds.
Break-even projected in 2030 at 1.3M pound volume.

Chair Watts committed to facilitating introductions between the co-op and the newly formed DOE Procurement PIG (Agenda Item E-9). Member Okimoto offered to contact Roy

Yamaguchi's team to facilitate recipe development discussions. Ms. Gady noted potential export markets (Canada) for ʻulu flour once co-op reaches sufficient scale.

No motion or vote was required for this informational item.

7. Presentation by Nicole Galase, Managing Director, Hawaii Cattlemen's Council – Work and Goals

[~1:00 PM] Ms. Galase presented on the Hawaii Cattlemen's Council (HCC) and the Hawaii Rangeland Stewardship Foundation. Key points:

Cattle is consistently in the top five Hawaii agricultural commodities at approximately $53M in annual gross sales.
Currently, only ~20% of Hawaii's beef demand can be met by local production, even if all animals were kept in-state.
Nearly 750,000 acres (approximately 20% of Hawaii's land) are dedicated to pasture and managed by ranchers.
Duke's Law (2025): HCC championed enhanced criminal penalties for agricultural crimes.
Areas of ADC collaboration sought: water systems, agricultural easements, land management funding, transportation discounts (Young Brothers), processing facility support, and career pathways in butchering.

Member Trump noted DLE's work with Trust for Public Land on Ag easements and concerns about messaging around cow-calf operations and food security. Member Cooke raised opportunities for local beef to appear more regularly on DOE school menus.

No motion or vote was required for this informational item.

8. Presentation by Jeff Clark, Chief Operating Officer, Olson Trust / President, Hamakua Macadamia Nut Company – Work and Goals

[~1:21 PM] Mr. Clark presented on the Olson Trust, a private organization transitioning to a foundation, which owns 15,000 acres on Hawaii Island. Key highlights:

Kaʻu Farms Management: 9,000 acres, including 1,000+ acres of macadamia nuts.
Kaʻu Coffee Mill: Largest processor in the Kaʻu district; built in 2010; powered 100% by hydroelectric.
Hamakua Macadamia Nut Company: Processes approximately 4M pounds of macadamia nuts; value-added products.
Hydroelectric system in Wood Valley (Kaʻu): Runs the coffee mill off-grid; exploring hydrogen production for excess power.
Energy grass pilot project for livestock feed and potential biomass.
Geothermal exploration in Puna (2,000 acres).
Approximately 50 small farmers on 5–10 acre lots in Kaʻu Ag Park.

As the trust transitions to a foundation, focus will include scholarships for Ag-related education, land-based community giving, and renewable energy partnerships.

No motion or vote was required for this informational item.

9. Presentation by Laurence Sombardier, Deputy Director, NELHA (Natural Energy Laboratory Hawai'i Authority) – Introduction and Opportunities for Collaboration

[~1:46 PM] Mr. Sombardier, filling in for NELHA Director Riley Saito, introduced NELHA as an attached agency of DBEDT and a sister agency to ADC. NELHA hosts approximately 55 projects/companies on its 900-acre facility.

Areas of potential ADC-NELHA collaboration: food processing (solar-powered mac nut and coffee drying), incubation of food and agriculture technology companies, aquaculture-agriculture crossover projects (e.g., algae feed additive reducing methane in cattle), and a proposed community-based non-profit facility for tissue culture and propagation of plants and aquatic life.

Chair Watts raised the topic of sustainable aviation fuel (SAF); Mr. Sombardier noted a company called Sea Dragon is working on extracting CO2 from seawater to produce jet fuel, in very early stages.

No motion or vote was required for this informational item.

G. Executive Director's Report

[~1:55 PM] Executive Director Gady referred the board to ADC's monthly newsletter, noting that it now includes an agricultural workforce housing survey developed in partnership with the North Shore Economic Vitality Partnership and Go Farm Hawaii, covering both employer and employee perspectives statewide. She requested board members distribute the survey to their networks.

H. Adjourn

Chair Watts, noting no further business before the board, called for a motion to adjourn.

[~1:57 PM] Motion by Member Cooke. **Second** by Member Okimoto.
Hearing no objections, the meeting was adjourned at 1:57 PM.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Regular Board of Directors Meeting held on Thursday, December 18, 2025 via Zoom Teleconference and In-Person

Pursuant to section 92-3.7, Hawaii Revised Statutes (HRS), this meeting was held with Board members, Staff, Applicants, and the Public participating via Zoom meeting venue, and an In-Person meeting location available for public participation

Members Present, In-Person:

Jesse Cooke, (Member Cooke)
Glenn Hong, (Member Hong)
Sharon Hurd, (Chair Hurd)
Dean Okimoto, (Member Okimoto)
Nathan Trump, (Member Trump)
Jayson Watts, (Vice-Chair Watts) – Presiding

Members Present, via Zoom:

Dave Hinazumi, (Member Hinazumi) – entered at approximately 10:30 am.
Ciara Kahahane, (Member Kahahane)
Jason Okuhama, (Member Okuhama)
Karen Seddon, (Member Seddon)
Dane Wicker, (Member Wicker) – exited at approximately 11:34 a.m.

Members Excused/Absent:

None

Counsel Present:

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

Staff Present:

Wendy Gady, Executive Director (Ms. Gady)
Ingrid Hisatake, Executive Secretary
Lyle Roe, Asset Manager (Mr. Roe)
Ken Nakamoto, Project Manager (Mr. Nakamoto)
Alison Neustein, Property Manager (Ms. Neustein)

Guests/Public Present (In-Person and via Zoom):

Donnie Dawson, State Film Commissioner, Hawaii Film Office, DBEDT
Rick Schuler, Location Manager
Trisha Kehaulani Watson, Cultural Advisor
Elizabeth Krueger, Land Use Permits Division Chief, City and County of Honolulu DPP
Walea Constantinau, Honolulu Film Office
Jun Yang, Statewide Office on Homelessness and Housing Solutions
Lisa Rhoden, Executive Director, North Shore EVP
Nora (Thai Farmer Group representative)
Mike Faye, KAA
Danielle Bass, State Sustainability Coordinator, OPSD
Dexter Kishida, Climate Resiliency Manager, Hawaii Department of Transportation

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Regular Board of Directors Meeting held on Thursday, December 18, 2025 via Zoom Teleconference and In-Person

A. Call to Order

Vice-Chair Watts called the meeting to order at approximately 10:04 a.m.

Vice-Chair Watts conducted the roll call. Each board member was called by name and asked to acknowledge their presence and state whether anyone over the age of eighteen was present in the room with them. Vice-Chair Watts noted that this also served as the initial roll call vote, and that 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 initial roll call.

Roll Call (~ 10:04 a.m.):
Member Cooke – Present and alone.
Member Hinazumi – On his way; arrived at approximately 10:30 a.m.
Member Hong – Present.
Chair Hurd – Present and in the boardroom.
Member Kahahane – Present via Zoom and alone.
Member Okimoto – Present and in the boardroom.
Member Okuhama – Present and alone.
Member Seddon – Present and alone.
Member Trump – Present in the boardroom.
Vice-Chair Watts – Present and in the boardroom.
Member Wicker – Present and alone.

Vice-Chair Watts confirmed quorum was established.

Note: Vice-Chair Watts announced that Action Item E-17 would be taken out of order before returning to the regular agenda.

B. Approval of Minutes

1. Regular Session Minutes, August 25, 2025 (Deferred from November 20, 2025)

Chair called for a Motion to Approve.

Motion by Member Hall (~ 10:05 a.m.)
Second by Member Trump (~ 10:05 a.m.).

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

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

Chair called for the vote (~ 10:06 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

2. Regular Session Minutes, September 18, 2025 (Deferred from November 20, 2025)

Deferred to January 15, 2026.

3. Special Meeting Regular Session Minutes, September 25, 2025 (Deferred from November 20, 2025)

Chair called for a Motion to Approve.

Motion by Member Okimoto (~ 10:06 a.m.)
Second by Chair Hurd (~ 10:06 a.m.).

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

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

Chair called for the vote (~ 10:07 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

4. Regular Session Minutes, October 16, 2025

Deferred to January 15, 2026.

5. Regular Session Minutes, November 20, 2025

Deferred to January 15, 2026.

C. Chairperson's Report

Vice-Chair Watts stated there was no Chairperson's Report.

D. Committee & Permitted Interaction Group Reports

1. Administration Committee Report, November 21, 2025

This item was initially deferred to the end of the agenda pending the arrival of Chair Hinazumi, and was taken up at approximately 12:00 p.m.

Member Hinazumi reported that the Administration Committee had met twice since the last regular board meeting – in November and December 2025. Topics covered included financial reports, status of contracts and appropriations, and budget request timelines. The Committee noted that budget requests had not been coming before the full board and is developing a process to ensure future requests are vetted at the Administration Committee level and brought to the full board by end of calendar year. Member Hinazumi also noted that the Committee is tracking the Executive Director's six-month and one-year reviews through the permitted interaction group previously formed, and will report through the Administration Committee.

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.

No vote required. Item was informational.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Regular Board of Directors Meeting held on Thursday, December 18, 2025 via Zoom Teleconference and In-Person

E. Action Items

Vice-Chair Watts announced at the outset that Action Item E-17 would be taken out of order. After E-17 was heard, the board returned to the regular agenda beginning with E-1.

17. Request for approval to issue a Right of Entry Agreement to Real Heaven Incorporated for film production purposes on land under License Agreement No. LI-WM1505, Whitmore Village, Wahiawa, Honolulu County – TMK No. 1-7-1-002-004 (Taken Out of Order)

Chair called for a Motion to Approve.

Motion by Member Trump (~ 10:08 a.m.)
Second by Member Okimoto (~ 10:08 a.m.).

Staff Presentation: Mr. Roe provided a brief overview. Real Heaven Inc. is a film production company seeking a right of entry to property currently leased to William Wise. ADC consent is required because the filming area is not part of the lessee's land utilization plan.

Public Testimony (~ 10:10 a.m.): Donnie Dawson (State Film Commissioner), Rick Schuler (Location Manager), Walea Constantinau (Honolulu Film Office), Elizabeth Krueger (City and County DPP), and Trisha Kehaulani Watson (Cultural Advisor) provided testimony in support. Ms. Krueger confirmed that a temporary use approval was not required by the city zoning code for this production.

Board Discussion (~ 10:21 a.m.): Chair Hurd raised concerns regarding the absence of a written agreement between the lessee and the production company, liability protections, and the lack of documentation for board review. Member Wicker noted the time-sensitive nature of film productions and cautioned against adding steps that could deter productions from the state. Member Hong echoed concerns that if revenue was involved it could constitute a sublease subject to board approval. A board member asked whether the process aligned with ADC standard operating procedures; staff and counsel confirmed it did not yet, as this was the first instance of its kind. Ms. Watson clarified that a location agreement and certificate of insurance existed and offered to provide copies to ADC.

Vice-Chair Watts indicated intent to pass the item, requested staff invite the lessee to the next board meeting as an informational item, and asked staff to work with the Attorney General's office to incorporate proper process for future right of entry requests for film productions.

Chair Hurd stated she would approve with reservations, noting this should be treated as a one-time exception. Counsel confirmed that a reservation does not constitute an abstention and a roll call vote was not required.

Chair called for the vote (~ 10:33 a.m.). Hearing no objections or abstentions (Chair Hurd approved with stated reservations), the motion was approved.

1. Request for approval to issue a Right of Entry to the State of Hawaii, Department of Human Services for due diligence and clearing of approximately 5.118 gross acres for Kalawai Project purposes, Wahiawa, Honolulu County – TMK No. 1-7-3-013-010

Chair called for a Motion to Approve.

Motion by Member Okimoto (~ 10:34 a.m.);
Second by Member Hong (~ 10:34 a.m.).

Staff Presentation (~ 10:34 a.m.): Mr. Roe explained the right of entry was in final agreed form between ADC and Department of Human Services deputy attorneys general. The right of entry allows DHS to conduct due diligence, including a topographic survey, and some clearing; it does not authorize construction. Mr. Roe offered to share the document on screen for board review.

Public Testimony (~ 10:38 a.m.): Jun Yang (Statewide Office on Homelessness and Housing Solutions) testified in support, explaining that the clearing is to facilitate a topographic survey so DHS can present future development plans to the board with full information. DHS intends to engage the community and work transparently with ADC.

Board Discussion (~ 10:39 a.m.): Ms. Gady clarified that a neighborhood board presentation is calendared for January and that BLNR approval will also be required because the parcel is zoned residential with an aquaculture set-aside designation. The board confirmed that prior commitments – neighborhood board participation and public engagement – remained in place.

Chair called for the vote (~ 10:41 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

2. Request for approval to issue a new License Agreement to [Thai Farmer Group] for 10 gross acres, more or less, of PU-14 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Trump (~ 10:41 a.m.)
Second by Member Cooke (~ 10:41 a.m.).

Staff Presentation (~ 10:42 a.m.): Ms. Neustein provided background on the approximately 500-acre parcel divided among a group of disadvantaged Thai farmers forming a cooperative. All farmers are undergoing GAP certification and plan to participate in the DOE Farm to School program.

Public Testimony (~ 10:44 a.m.): Lisa Rhoden (North Shore EVP) described the Hawaiʻi GroupGAP food safety training program and the farmers' progress.
Nora, speaking on behalf of the Thai farmer group, described the cooperative's formation, grant funding for a cooler unit, and the importance of obtaining ADC land.

Board Discussion (~ 10:48 a.m.): Member Wicker asked about the cooperative's other members. Member Trump asked about water supply stability and future dependence on Dole Plantation systems. Ms. Gady noted ADC received a $9.2 million legislative appropriation to upgrade wells and irrigation infrastructure, with procurement expected within 6–12 months. Member Hinazumi raised concerns about current water availability and the timeline for infrastructure improvements. Member Okimoto noted the land needs clearing before irrigation is even possible. Member Hinazumi asked about the history of the parcel; staff confirmed it has been fallow since ADC acquired it from Dole, with the only prior right of entry granted to Costco (later withdrawn) and

Cedar Grove (withdrew during COVID). Member Cooke suggested offering rent credits for a water truck, as totes are cumbersome, and asked about rent credits for farmer-performed labor. Member Okuhama asked about the possibility of using the reservoir being acquired to serve these fields. Ms. Neustein reported that weekly meetings are ongoing with engineers, Dole, NRCS, and university staff to develop interim water solutions. Vice-Chair Watts reminded staff of prior ADC litigation arising from promises of water that went unmet, and requested monthly informational updates until water is fully provided.

Vice-Chair Watts noted that items E-2 through E-13 each represent separate license agreements for the same Thai farmer group on subdivided parcels, and attempted to consolidate them in one motion; counsel (Ms. Waihee-Polk) advised that public testimony must be allowed on each agenda item individually.

Chair called for the vote (~ 11:06 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

3. Request for approval to issue a new License Agreement to Samara and Rung Napa for 32.9 gross acres, more or less, of PU-15 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Trump (~ 11:06 a.m.).
Second by Member Hong (~ 11:06 a.m.).

Ms. Neustein advised that one of the named tenants (Rung Napa) had last-minute requested to be removed, but the change had not been reviewed by the Attorney General's office. Counsel suggested the item could be approved subject to AG confirmation, but Member Okimoto raised concerns about the remaining applicant's capacity to farm 32 acres alone. Vice-Chair Watts asked if deferral would cause a problem; Ms. Neustein said it would not.

Item E-3 was deferred to the January 15, 2026 regular board meeting to allow staff to address the change in tenancy and resubmit a clean submittal.

4. Request for approval to issue a new License Agreement to Kitty Charo for 64.5 gross acres, more or less, of PU-16 and PE-23 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hinazumi (~ 11:10 a.m.);
Second by Member Okimoto (~ 11:10 a.m.).

Staff Presentation: Ms. Neustein confirmed the same terms as previously presented.

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 (~ 11:11 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

5. Request for approval to issue a new License Agreement to Sir Ong for 73.7 gross acres, more or less, of PU-17 and PU-22 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hinazumi (~ 11:11 a.m.);
Second by Member Trump (~ 11:11 a.m.).

Staff Presentation: Ms. Neustein confirmed the same terms as previously presented.

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 (~ 11:12 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

6. Request for approval to issue a new License Agreement to Regeneron Pharmaceuticals for 46.4 gross acres, more or less, of PU-18 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:12 a.m.);
Second by Member Okimoto (~ 11:12 a.m.).

Staff Presentation: Ms. Neustein confirmed the same terms as previously presented.

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 (~ 11:13 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

7. Request for approval to issue a new License Agreement to Samart Khotwongthong for 25.1 gross acres, more or less, of PU-19 and PU-28 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:13 a.m.);
Second by Member Okimoto (~ 11:13 a.m.).

Ms. Neustein confirmed the same terms as previously presented.

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 (~ 11:14 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

8. Request for approval to issue a new License Agreement to Nuanchan Khotwongthong for 84.1 gross acres, more or less, of PU-20 and PU-21 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:14 a.m.);
Second by Member Okimoto (~ 11:14 a.m.).

Ms. Neustein confirmed the same terms as previously presented. Chair Hurd asked about the water supply requirements for aquaponics operations; Nora clarified that aquaculture activities would begin in year two or three once water infrastructure is in place.

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 (~ 11:15 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

9. Request for approval to issue a new License Agreement to Lao Aquafarm LLC for 57.1 gross acres, more or less, of PU-24 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:15 a.m.);
Second by Member Okimoto (~ 11:15 a.m.).

Staff Presentation: Ms. Neustein confirmed the same terms as previously presented.

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 (~ 11:16 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

10. Request for approval to issue a new License Agreement to KP Farm Group LLC for 21.7 gross acres, more or less, of PU-25 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:16 a.m.);
Second by Member Trump (~ 11:16 a.m.).

Staff Presentation: Ms. Neustein confirmed the same terms as previously presented. Member Okimoto noted that the acreage allocated to this applicant appeared large relative to their proposed planting plan. Staff and Ms. Gady explained that parcels were self-selected by the farmers for proximity and mutual support, and that farmers are waiting for water infrastructure before scaling up.

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 (~ 11:18 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

11. Request for approval to issue a new License Agreement to Somsak Khaephutcha for 16.7 gross acres, more or less, of PU-26 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:18 a.m.);
Second by Member Trump (~ 11:18 a.m.).

Staff Presentation: Ms. Neustein confirmed the same terms as previously presented.

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 (~ 11:18 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

12. Request for approval to issue a new License Agreement to Sila Farm LLC for 59.2 gross acres, more or less, of PU-27 and PU-30 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:19 a.m.);
Second by Member Trump (~ 11:19 a.m.).

Ms. Neustein confirmed the same terms as previously presented.

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 (~ 11:20 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

13. Request for approval to issue a new License Agreement to Suraphon Suwanna for 14.1 gross acres, more or less, of PU-29 for diversified agriculture use, Wahiawa, Oahu – TMK No. (1) 6-4-003 (por. 016)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:21 a.m.);
Second by Member Okimoto (~ 11:21 a.m.).

Staff Presentation: Ms. Neustein confirmed the same terms as previously presented.

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 (~ 11:21 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

14. Request for approval to amend License Agreement No. LI-PU 1807 issued to Margaret M. Bush to add Brad Kalilimoku as additional licensee, Wahiawa, Oahu – TMK No. (1) 6-5-005 (por. 009)

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:22 a.m.);
Second by Member Okimoto (~ 11:22 a.m.).

(~ 11:22 a.m.) Ms. Neustein explained that the tenant, Ms. Bush, is aging and her nephew has taken an active role in operations. She wishes to add him to the license as a tenant in common. The license expires in 2028.

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

(~ 11:23 a.m.) Member Trump questioned whether this was the standard process for adding a co-licensee and whether other applicants might have interest in the land. Chair Hurd and staff discussed the distinction between adding a tenant in common versus an assignment of the lease. Counsel confirmed the AG's office had reviewed the submittal. Vice-Chair Watts asked staff to formalize this type of process in ADC board policies and procedures, and to route through the Administration Committee.

Chair called for the vote (~ 11:27 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

15. Request for after-the-fact approval for the Hawaii Agriculture Research Center to permit construction of two high tunnel structures on land under the Conservation Easement for Agriculture Preservation recorded October 2, 2009 – TMK No. 1-9-2-010-011 (por.)

Chair called for a Motion to Approve.

Motion by Member Trump (~ 11:27 a.m.);
Second by Member Okimoto (~ 11:27 a.m.).

(~ 11:27 a.m.) Mr. Roe explained that HARC self-reported two potential violations discovered during annual third-party inspection. One (container storage) has been remedied by relocation. The second – the high tunnel structures – is an approved NRCS conservation practice but requires co-holder (ADC) approval under the easement. NRCS concurred with approval in writing. The structures were funded by an NRCS grant.

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

(~ 11:30 a.m.) Vice-Chair Watts asked whether ADC's annual inspection process would have caught the structures had HARC not self-reported. Mr. Roe confirmed it would have been identified in the annual inspection.

Chair called for the vote (~ 11:31 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

16. Request to amend certain acreage details in prior approval authorizing the Executive Director to execute binding instruments, negotiate and execute a Purchase and Sale Agreement, and conduct due diligence for fee simple interest in real property located east of Malo Road, Kauai – TMK No. 4-3-018-001 (por.)

Member Hinazumi recused himself from this item at approximately 11:31 p.m.

Chair called for a Motion to Approve.

Motion by Member Hong (~ 11:31 a.m.);
Second by Member Okimoto (~ 11:31 a.m.).

(~ 11:32 a.m.) Mr. Roe noted the board previously authorized the Executive Director to pursue this acquisition. ADC is returning to clarify that approximately 40 of the 1,040 total acres are being acquired on behalf of the Department of Corrections and Rehabilitation (DCR) for the proposed Kauai Correctional Center. DCR has funding to transfer to ADC for their portion, and DLNR will ultimately hold title. DCR's participation enables ADC to benefit from volume pricing on the full 1,040-acre acquisition. Ms. Gady clarified that ADC retains 1,000 acres for agricultural use. DCR published an EIS preparation notice identifying various permits required, including rezoning of the approximately 40-acre correctional facility site.

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

(~ 11:35 a.m.) Vice-Chair Watts suggested exploring an agricultural labor partnership with the DOC furlough program. Ms. Gady noted DCR could also be an institutional purchaser for ADC tenants. Member Okimoto suggested siting processing facilities near the correctional center for synergy. Chair Hurd confirmed that ADC retains 1,000 acres and DCR pays for its 40 acres. Member Trump asked that any MOU between DCR and ADC ensure agriculture remains the primary beneficiary. Vice-Chair Watts directed staff to address this as negotiations proceed.

Because Member Hinazumi abstained and Member Wicker had exited the meeting, a roll call vote was required. Ms. Gady noted Member Wicker was not present and had not participated in any discussion.

Roll Call Vote (~ 11:40 a.m.):
Member Cooke: Yes
Member Hinazumi: Abstained (recused)
Member Hong: Aye
Chair Hurd: Aye
Member Kahahane: Aye
Member Okimoto: Aye
Member Okuhama: Yes
Member Seddon: Aye
Member Trump: Aye
Vice-Chair Watts: Aye
Member Wicker: Not present

Motion carried: 9-0, with 1 abstention (Member Hinazumi) and 1 absent (Member Wicker).

17. Action Item E-17 had been taken out of order; heard at the beginning of the agenda.

18. Request to establish a Permitted Interaction Group to evaluate the performance of the Executive Director on a semi-annual and annual basis pursuant to §163D-3(f), Hawaii Revised Statutes

Chair called for a Motion to Approve.

Motion by Member Okimoto (~ 11:40 a.m.);
Second by Chair Hurd (~ 11:40 a.m.).

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

Board Discussion: Member Trump requested to be included on the PIG. Chair Hurd reminded the board to follow all Sunshine Law advisories recently received. Vice-Chair Watts identified PIG membership as Members Hinazumi, Wicker, Kahahane, Watts, and Trump.

Chair called for the vote (~ 11:42 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

Vice-Chair Watts appointed the following members to the Permitted Interaction Group: Member Hinazumi, Member Wicker, Member Kahahane, Vice-Chair Watts, and Member Trump.

19. Request for approval to authorize rent credits in the amount of $45,354 under License Agreement No. LI-GA 1601 issued to Kelana Farms Incorporated for agriculture infrastructure improvements at the Galbraith Agriculture Lands, Wahiawa, Oahu – TMK No. (1) 6-5-002-010 (por.)

Chair called for a Motion to Approve.

Motion by Member Trump (~ 11:42 a.m.);
Second by Member Okimoto (~ 11:42 a.m.).

(~ 11:43 a.m.). Mr. Nakamoto explained that Kelana Farms operates the Bott Well and Galbraith irrigation system under an ADC agreement, and the rent credit is for the construction of a storage pond to increase irrigation capacity and efficiency.

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

Member Hong confirmed that the credit amount corresponds to actual documented costs. Vice-Chair Watts asked about interest or accrual for delayed payment; Ms. Gady confirmed Kelana only requested reimbursement of hard costs.

Chair called for the vote (~ 11:45 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

20. Request for approval to dissolve the Permitted Interaction Group established January 16, 2025 to develop policies and guidelines for an Agribusiness Development Corporation subsidiary related to the Entrepreneur Product Innovation Network Center project pursuant to §163D-6, Hawaii Revised Statutes

Chair called for a Motion to Approve.

Motion by Member Trump (~ 11:45 a.m.);
Second by Member Okimoto (~ 11:45 a.m.).

Vice-Chair Watts explained this was a housekeeping measure. The PIG established in January 2025 never met, and Sunshine Law compliance requires dissolution of inactive PIGs. The board may reestablish the PIG in the future if needed.

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 (~ 11:46 a.m.). Hearing no objections or abstentions the motion was unanimously approved.

21. Request for approval to amend the Licensee's Utilization Plan for License Agreement No. LI-K0804 issued to Wines of Kauai LLC, Kekaha, Waimea – TMK No. (4) 1-2-002

Chair called for a Motion to Approve.

Motion by Member Hinazumi (~ 11:46 a.m.);
Second by Member Okimoto (~ 11:46 a.m.).

(~ 11:47 a.m.) Ms. Neustein explained this is an after-the-fact request to amend the licensee's utilization plan to accommodate temporary storage of materials for a DOT road improvement project on adjacent Mauka lands near Koke'e. The temporary use is anticipated to last through 2027.

Mike Faye (KAA) was present and offered to answer questions. There was no other public testimony.

Member Kahahane raised a concern that the affected land is ceded (public trust) land and she did not see a public trust analysis in the submittal materials. Ms. Neustein confirmed the AG's office reviewed the submittal but could not confirm whether a public trust analysis was specifically conducted. Counsel (Ms. Waihee-Polk) offered the option to condition approval on AG confirmation that such analysis was not required, or to defer.

Vice-Chair Watts expressed concern about approving items without confirmed compliance with applicable law. He noted the board should not be making on-the-spot procedural accommodations and directed that submittals for public trust lands should, going forward, either include a public trust analysis or explain why one is not required.

Item E-21 was deferred to allow the Attorney General's office to confirm whether a public trust analysis is required.

F. Informational Items

1. Presentation by Danielle Bass, State Sustainability Coordinator, Hawaii Office of Planning and Sustainable Development – Overview of State Climate and Sustainability Statutory Mandates and the Integrated Land Use Study (Act 187, Session Laws of Hawaii 2025)

Presentation began at approximately 12:03 p.m.

Ms. Bass provided an overview of Hawaii's 24 statutory sustainability and climate mandates, organized by target year. Key mandates discussed included: greenhouse gas emission reductions (50% below 2005 levels by 2030); renewable portfolio standards (40% by 2030, 70% by 2040, 100% by 2045); local food production goals (double by 2030); DOE local food purchasing mandates (30% by 2030, expanding to 50% by 2050); state fleet vehicle zero emission mandates; and a 2045 mandate requiring 100% use of reclaimed water at all state and county facilities (except potable uses). Ms. Bass noted that 2050 is now closer than the year 2000.

Ms. Bass also presented an overview of the Integrated Land Use Study authorized by Act 187 (2025 Session), which is being led by OPSD with DBEDT. The study is intended to integrate data across state and county agencies, utility partners, and stakeholders to visualize competing land use demands (agriculture, housing, energy, water) and determine feasibility of achieving Hawaii's sustainability mandates. A report is due to the legislature and State Land Use Commission within one year.

Vice-Chair Watts asked how the reclaimed water mandate would affect farmers. Ms. Bass described ongoing work with Honolulu on a reclamation project near the Wahiawa wastewater treatment facility, projecting a design completion by 2030. Member Okimoto suggested advocating with federal agencies to expand approved uses of reclaimed water for agriculture. Chair Hurd noted the importance of episodic rain capture and the distinction between irrigation-grade and potable-grade reclaimed water. Member Cooke asked whether the study would address soil classification accuracy, and Ms. Bass confirmed the recently published state soil classification study would be integrated. Member Cooke also referenced New York's model of requiring fees from renewable energy projects on agricultural land. Ms. Gady reminded the board that the ADC Agribusiness Plan PIG (Members Watts, Hurd, Cooke, Wicker, and the DLNR deputy director) has the ability to recommend federal, state, and local policy changes under ADC's statute.

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

2. Presentation by Dexter Kishida, Climate Resiliency Manager, Hawaii Department of Transportation – Food Distribution, Logistics, and the Role of Hawaii Island Transportation Infrastructure in Supporting Agricultural Markets

Presentation began at approximately 12:29 p.m.

Mr. Kishida presented on food security for Hawaii Island through the lens of DOT transportation infrastructure. Key points included: the need for affordable refrigeration capacity at both Hilo and Kona ports; restoration of direct air transport for cattle (targeted for January 2026 but slightly delayed); the PUC's redefinition of the Young Brothers Island Ag Discount Program to include lightly processed agricultural products (benefiting value-added producers); shared logistics opportunities using ADC land near Hilo; aquaculture regulatory review in coordination with UHCA; and workforce housing as a critical need for agricultural workers. Mr. Kishida also highlighted data collection as essential, and expressed DOT's interest in participating in ADC permitted interaction groups related to infrastructure and land.

Member Hong provided background on the Young Brothers Island Ag Discount Program and the revenue sustainability challenges of expanding eligibility. Vice-Chair Watts noted the importance of including agricultural inputs (e.g., fertilizer, boxes) in the discount program. Mr. Kishida confirmed that cardboard boxes are the number one requested item for inclusion. Chair Hurd highlighted the importance of data collection for aquaculture, referencing a survey being conducted through the Hawaii Aquaculture and Aquaponics Association.

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

3. Presentation by Wendy Gady, Executive Director – East Kauai Irrigation and Water Distribution System: ADC's Role, Status of Right of Entry, Inter-Agency Coordination, and Key Considerations Related to Potential Acquisition

Presentation began at approximately 12:46 p.m.

Ms. Gady provided a comprehensive overview of the East Kauai Irrigation System (EKIS), which services approximately 5,920 acres of agricultural land using a gravity-flow system. The system is currently operated by DLNR after the farmer cooperative that managed it returned it in 2013.

DLNR had been on a path to decommission the system, prompting community advocacy for ADC to assume operation.

Timeline of ADC involvement: In September 2023, Ms. Gady walked the system with users and committed to advocate at the legislature for positions and funding. In April 2025, the ADC board voted to pursue acquisition of the system. In June 2025, staff began walking the ditch and meeting with individual users. In November 2025, two of three water system workers were hired. On December 12, 2025, ADC received a right of entry for due diligence.

Ms. Gady noted the December 13, 2025 BLNR meeting was a culmination of 27 months of community engagement and approximately 18 months of working with the DLNR Land Division. The pause at BLNR was to allow all DLNR divisions – including DOFAW and DLNR DoCAR – to be included in the review process. Ongoing due diligence with CWRM, DHHL, and business planning for operational and financial projections is underway. ADC had previously applied for a $19 million federal Defense Community Infrastructure Partnership grant, which required documentation of long-term control of the system.

Board Discussion: No formal board questions were recorded. Member Okimoto noted departure from the meeting at this point. Vice-Chair Watts thanked Ms. Gady for the update.

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

4. Mililani Technology Park – Deferred

This item was deferred. Confirmed by Chair Hurd.

5. Executive Director's Report

Vice-Chair Watts noted that the Executive Director's report is available on the ADC website and no verbal presentation was made.

G. Adjournment

Having no further business before the board, Vice-Chair Watts called for a motion to adjourn.

Motion by Chair Hurd (~ 12:55 p.m.);
Second by Member Hong (~ 12:55 p.m.).

Chair called for the vote (~ 12:56 p.m.).. Hearing no objections or abstentions the motion was unanimously approved.

Meeting adjourned at 12:56 p.m.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held Virtually on January 15, 2026
Via Zoom Teleconference and In-Person at 235 S. Beretania Street, Suite 204, Honolulu, HI 96813

Pursuant to section 92-3.7, Hawaii Revised Statutes (HRS), this meeting was held as a Hybrid meeting with Board members, Staff, and the Public participating via Zoom meeting venue, and an In-Person meeting location available for public participation at the State Office Tower, 235 S. Beretania Street, Suite 204, Honolulu, HI 96813

Members in Attendance, virtually:

Jayson Watts, member-at-large (Chair)
Jesse Cooke, Honolulu City and County member (Member Cooke)
David Hinazumi, member-at-large (Member Hinazumi)
Sharon Hurd, HDOA ex officio member (Chair Hurd)
Dean Okimoto, member-at-large (Member Okimoto)
Jason Okuhama, member-at-large (Member Okuhama)
Nathan Trump, Hawaii County member (Member Trump)
Dane Wicker, designee for DBEDT ex officio member (Member Wicker)

Member Arriving Late:

Ciara Kahahane, designee for DLNR ex-officio member - arrived approximately 10:30 A.M.

Members Excused:

Glenn Hong, member-at-large
Karen Seddon, member-at-large

Counsel Present, virtually:

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

Staff Present, virtually:

Wendy Gady, Executive Director (Ms. Gady)
Mark Takemoto, Sr. Executive Assistant (Mr. Takemoto)
Ken Nakamoto, Project Manager
Alison Neustein, Property Manager (Ms. Neustein)
Ingrid Hisatake, Executive Secretary

Guests Present, virtually:

Craig Nakamoto, Executive Director, Hawaii Community Development Authority (HCDA)
William Weiss, licensee under License Agreement No. LI-WM1505 (Mr. Weiss)
Kevin Minoli, Partner, Alston & Bird (Mr. Minoli)

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held Virtually on January 15, 2026
Via Zoom Teleconference and In-Person at 235 S. Beretania Street, Suite 204, Honolulu, HI 96813

A. Call to Order:

[~9:11 A.M.] Prior to calling the meeting to order, Executive Secretary Hisatake explained hybrid meeting participation procedures for Zoom, telephone, and in-person attendees, including the two-minute public testimony time limit per agenda item.

Chair Watts called the meeting to order at 9:13 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. The roll call served as a roll call vote and for each subsequent vote Chair would ask if there were any objections or abstentions. If there were none, the motion would be approved on the same basis as the initial roll call.

Roll call results:
Member Cooke — present; Member Hinazumi — present; Member Hong — excused; Chair Hurd — present; Member Kahahane — excused, arriving approximately 10:30 A.M.; Member Okimoto — present; Member Okuhama — present; Member Seddon — excused; Member Trump — present; Chair Watts — present; Member Wicker — present.

Eight (8) members present; quorum established.

Chair announced the Board would take Informational Item F1 out of order due to the availability of a key presenter, and that the board may go into executive session pursuant to HRS §92-5(b)(4).

Agenda Item F1 taken out of order (Executive Session):

Update by Kevin Minoli, Partner at Alston & Bird, regarding the status of administrative hearings related to NPDES Permit Number HI-0021952.

[~9:15 A.M.] Chair called for a motion to go into executive session pursuant to HRS §92-5(b)(4) to consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities.

[~9:15 A.M.] Motion by Member Cooke; Second by Member Hinazumi.

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

[~9:16 A.M.] Roll call vote to enter executive session:
Member Cooke — Yes
Member Hinazumi — Yes
Member Hong — Excused
Chair Hurd — Yes
Member Kahahane — Excused (not yet arrived)
Member Okimoto — Yes
Member Okuhama — Yes
Member Seddon — Excused

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held Virtually on January 15, 2026
Via Zoom Teleconference and In-Person at 235 S. Beretania Street, Suite 204, Honolulu, HI 96813

Member Trump — Yes
Chair Watts — Yes
Member Wicker — Yes

Motion approved: 8-0 (Members Hong, Kahahane, and Seddon excused). Board recessed into executive session at approximately 9:17 A.M.

[~10:43 A.M.] Chair Watts called the public meeting back to order. Chair announced that pursuant to HRS §92-4, the board discussed Agenda Item F1 in executive session: consultation with the board's attorney regarding the board's powers, duties, privileges, immunities, and liabilities related to NPDES Permit No. HI-0021952. No binding action was taken in executive session.

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.

Agenda Item F2 taken out of order (Informational Item):

Presentation by William Weiss, licensee under License Agreement No. LI-WM1505, regarding a film project site location associated with land under his license.

[~10:52 A.M.] Mr. Weiss discussed the background of prior film activity on ADC land under his license and the process by which the film crew had sought a right of entry. Chair Hurd raised the absence of a formal written sublicense or right-of-entry agreement and noted that at the Department of Agriculture, all non-agricultural production activities on licensed land require a formal board submittal. Chair Hurd emphasized that the primary use of the land must remain agriculture. Member Wicker acknowledged the value of ADC's natural resources for Hawai'i's film industry while affirming the agricultural primary use requirement. Chair Watts requested staff develop a standard operating procedure for future film right-of-entry requests.

This was an informational item only. No motion or vote was required or taken.

Chair stated that the Board would return to the regular agenda beginning with Section B.

B. Approval of Minutes

[~10:43 A.M.] Chair announced that all items in Section B are deferred to the next regular meeting.

C. Chairperson's Report

[~10:43 A.M.] Chair announced there was no Chairperson's Report.

D. Committee & Permitted Interaction Group Reports

[~10:44 A.M.] Chair announced that Agenda Items D1 and D2 are both deferred to the next regular meeting.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held Virtually on January 15, 2026
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E. Action Items

Chair stated that E4 would be taken out of order first, followed by E1 in order.

Chair stated that Agenda Action Item E4 would be taken out of order.

4. Request for approval to execute a Memorandum of Understanding between the Agribusiness Development Corporation and the Hawaii Community Development Authority to provide project management for the development of the essential Oʻahu Agriculture and Food Hub, District of Wahiawā, City and County of Honolulu, State of Hawaii, various Tax Map Keys

[~10:45 A.M.] Chair called for a Motion to Approve.

[~10:45 A.M.] Motion by Member Okimoto; Second by Member Hinazumi.

No formal staff presentation. HCDA Executive Director Craig Nakamoto was available 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 Okimoto inquired about the total acreage. Mr. Craig Nakamoto (HCDA Executive Director) responded that the combined area totaled approximately 86 acres (north: approximately 52 acres; south: approximately 34 acres). Chair Watts inquired about cost overruns and funding; Mr. Nakamoto stated no cost overruns were anticipated and discussed potential funding sources, including the EPMF project and planning funds requested for this legislative session. Board discussion included the project scope and ongoing funding needs.

[~10:48 A.M.] Chair called for the vote. Hearing no objections or abstentions, the motion was unanimously approved: 8-0 (Members Hong, Kahahane, and Seddon excused).

Chair stated that the Board would return to Agenda Item E1.

1. Request for approval to hire a special Deputy Attorney General to represent the interest of the Agribusiness Development Corporation in matters concerning the acquisition of certain real property situated east of Māʻalo Road at Hanamaulu, Līhuʻe, County of Kauaʻi, State of Hawaii, Tax Map Key No. (4) 3-8-018:001 (por.)

[~11:05 A.M.] Chair called for a Motion to Approve.

[~11:05 A.M.] Motion by Member Okimoto; Second by Chair Hurd.

Note: Member Hinazumi disclosed a conflict of interest and recused himself, exiting the discussion.

Ms. Gady noted this will be the largest land acquisition in ADC's history and that a special Deputy Attorney General specializing in land transactions is needed given the pending hire of a permanent AG assigned to ADC.

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

Chair asked if there was any board discussion. Chair Hurd inquired whether the scope of work would extend beyond this acquisition; Ms. Gady confirmed it would be limited to this transaction only. Member Wicker clarified that appropriated land acquisition funds would cover the special deputy's fees, and that funds could not be used outside the scope of the appropriation.

[~11:09 A.M.] Roll call vote (Member Hinazumi recused/abstained):
Member Cooke — Yes
Member Hinazumi — Abstained (recused, conflict of interest)
Member Hong — Excused
Chair Hurd — Yes
Member Kahahane — Not yet present
Member Okimoto — Yes
Member Okuhama — Yes
Member Seddon — Excused
Member Trump — Yes
Chair Watts — Yes
Member Wicker — Yes

Motion approved: 7-0-1 (Member Hinazumi abstained/recused; Members Hong, Kahahane, and Seddon excused). Member Hinazumi returned to the meeting.

2. Request for approval to authorize the executive director to execute a supplemental contract for legal services related to the National Pollutant Discharge Elimination System, Permit Number HI-0021952

[~11:10 A.M.] Chair called for a Motion to Approve.

[~11:10 A.M.] Motion by Member Hinazumi; Second by Member Okimoto.

Ms. Gady reported that the board had previously authorized $150,000 for NPDES legal counsel, fully expended on rebutting the draft permit. An additional approximately $400,000 has been expended to file a contested case, bringing the total to approximately $550,000. The supplemental contract would authorize additional legal representation for the contested case and related proceedings. Ms. Gady estimated approximately $500,000 more would be needed, for a projected total of approximately $1.1 million.

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

Chair asked if there was any board discussion. Chair Watts asked about funding plans. Ms. Gady outlined the use of PMRF operations and maintenance funds, leaving approximately $60,000 to be sourced from a revolving/land rent fund. Ms. Gady stated more finalized cost estimates would be brought to the board at the February meeting or a special board meeting. Chair Watts recommended close coordination with Member Wicker regarding any emergency appropriation deadlines.

[~11:13 A.M.] Chair called for the vote. Hearing no objections or abstentions, the motion was unanimously approved: 8-0 (Members Hong, Kahahane, and Seddon excused).

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held Virtually on January 15, 2026
Via Zoom Teleconference and In-Person at 235 S. Beretania Street, Suite 204, Honolulu, HI 96813

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

[~11:13 A.M.] Chair called for a Motion to Approve.

[~11:13 A.M.] Motion by Member Okimoto; Second by Member Hinazumi.

Ms. Neustein presented: this was a temporary revocable permit issued in 2023 for fire prevention and land maintenance purposes. The AG recommended board approval to formally cancel it. Cancellation would allow ADC to proceed with a new license to Kahanu Farms for diversified agriculture. The permittee was aware the use was always temporary, and was offered the opportunity to continue at the new intensive Ag license rate of $1,800/acre/year but declined.

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

Chair asked if there was any board discussion. Member Okuhama disclosed a client relationship with the permittee and recused himself. Chair Watts asked about the nature of the use; Chair Hurd clarified that harvesting grass for animal feed constitutes agricultural production. Ms. Gady added the new licensee would engage in diversified agriculture.

[~11:18 A.M.] Roll call vote (Member Okuhama abstained/recused):
Member Cooke — Yes
Member Hinazumi — Yes
Member Hong — Excused
Chair Hurd — Yes
Member Kahahane — Not yet present
Member Okimoto — Yes
Member Okuhama — Abstained (recused, conflict of interest)
Member Seddon — Excused
Member Trump — Yes
Chair Watts — Yes
Member Wicker — Yes

Motion approved: 7-0-1 (Member Okuhama abstained/recused; Members Hong, Kahahane, and Seddon excused).

5. Request for approval for right of entry permit to Goodfellow Brothers, LLC for delivering road material in Kekaha, District of Waimea, County of Kauaʻi, State of Hawaii, Tax Map Key (4) 1-2-002:001 (por.)

[~11:19 A.M.] Chair announced that Item E5 is deferred to the next board meeting. No motion required.

6. Request for approval to issue a new license agreement for 32.9 gross acres, more or less, of PU-15 for diversified agriculture use in Wahiawā, Oʻahu, State of Hawaii, Tax Map Key No. (1) 6-4-003:016 (por.)

[~11:19 A.M.] Chair called for a Motion to Approve.

[~11:19 A.M.] Motion by Member Cooke; Second by Member Okimoto.

Ms. Neustein presented: this item was deferred from the prior meeting because one of two joint applicants withdrew at the last minute. The license will now be issued to the remaining applicant.

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.

[~11:21 A.M.] Chair called for the vote. Hearing no objections or abstentions, the motion was unanimously approved: 8-0 (Members Hong, Kahahane, and Seddon excused).

7. Request for approval to execute and enter into a Memorandum of Agreement between the Agribusiness Development Corporation and the University of Hawai‘i Community Design Center to develop a proof of concept study for a statewide Food and Product Innovation Network

[~11:21 A.M.] Chair called for a Motion to Approve.

[~11:21 A.M.] Motion by Member Okimoto; Second by Member Hinazumi.

Staff presented: UHCDC will develop proof-of-concept studies for the Food and Product Innovation Network (EPMF - Entrepreneur Manufacturing Product Facility) at two neighbor island sites (potentially Kaua‘i and Maui), building on a prior O‘ahu study.

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

Chair asked if there was any board discussion. Chair Watts suggested incorporating UHERO agricultural economic data. Member Wicker confirmed a relevant 2023 UHERO small business study and READ agricultural data would be shared with UHCDC. The Research and Economic Analysis Division would also conduct exit surveys for value-added manufacturing companies.

[~11:24 A.M.] Chair called for the vote. Hearing no objections or abstentions, the motion was unanimously approved: 8-0 (Members Hong, Kahahane, and Seddon excused).

8. Request to establish a permitted interaction group to review the implementation status of the 2019 management and financial audit of the Agribusiness Development Corporation, to include: (1) review of the auditor's recommendations; (2) review of all the corporation's responses; (3) recommendations for additional implementation measures; and (4) report the findings to the board of directors; appointment of members

[~11:25 A.M.] Chair called for a Motion to Approve.

[~11:25 A.M.] Motion by Chair Hurd; Second by Member Cooke.

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.

[~11:28 A.M.] Chair called for the vote. Hearing no objections or abstentions, the motion was unanimously approved: 8-0 (Members Hong, Kahahane, and Seddon excused).

Chair appointed the following members to the permitted interaction group: Chair Watts, Member Hinazumi, Chair Hurd, Member Wicker, and Member Okimoto.

9. Request for board approval to update the application form for land owned or managed by the Agribusiness Development Corporation

[~11:29 A.M.] Chair called for a Motion to Approve.

[~11:29 A.M.] Motion by Member Cooke; Second by Member Okimoto.

Ms. Neustein noted the item had been submitted to the AG for review and included proposed additions: legal verbiage requested by the AG, and questions regarding institutional purchasing and displacement of applicants. Member Hinazumi requested that future proposed changes be presented with a red-line version. Ms. Gady noted two primary additions recommended by the Land Permitted Interaction Group: (1) a question on whether the applicant is currently losing land and when; and (2) a question on interest in institutional purchasing to support the State's food mandate.

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

[~11:30 A.M.] Hearing no objection, Chair announced that Item E9 is deferred to the next board meeting. Motion and second withdrawn.

F. Informational Items

1. Update by Kevin Minoli, Partner at Alston & Bird, regarding the status of administrative hearings related to NPDES Permit Number HI-0021952

[~9:13 A.M.] Taken out of order and heard in executive session.

2. Presentation by William Weiss, licensee under License Agreement No. LI-WM1505, regarding a film project site location associated with land under his license

[~10:52 A.M.] Taken out of order and heard as an informational item prior to Section B.

3. Executive Director's Report

[~11:31 A.M.] Chair Watts directed members to the ADC website for the Executive Director's report.

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.

G. Adjourn

[~11:31 A.M.] Having no further business before the board, Chair called for a motion to adjourn.

[~11:31 A.M.] Motion by Member Hinazumi; Second by Member Cooke.

Chair asked if there was any public testimony or board discussion. There was none.

[~11:32 A.M.] Chair called for the vote. Hearing no objections or abstentions, the motion was unanimously approved: 9-0.

Meeting adjourned at 11:32 A.M.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held Virtually on February 19, 2026
Via Zoom Teleconference and In-Person meeting

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

Members in Attendance, virtually:

Jason Watts, Maui County member (Chair Watts)
Jesse Cooke, Honolulu City and County member (Member Cooke)
Alan Hinazumi, member-at-large (Member Hinazumi)
Glenn Hong, member-at-large (Member Hong)
Ciara Kahahane, designee for DLNR ex-officio member (Member Kahahane)
Dean Okimoto, member-at-large (Member Okimoto)
Jason Okuhama, member-at-large, Vice Chair (Member Okuhama)
Karen Seddon, member-at-large (Member Seddon)
Nathan Trump, Hawaii County member (Member Trump)
Dane Wicker, designee for DBEDT ex officio member (Member Wicker)

Member Excused:

Sharon Hurd, HDOA ex officio member (Chair Hurd)

Counsel Present, virtually:

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

Staff Present, virtually:

Wendy Gady, Executive Director (Ms. Gady)
Ingrid Hisatake, Executive Secretary (Ms. Hisatake)
Anela Akana, FPIN Manager (Ms. Akana)

A. Call to Order:

[~9:03 A.M.] Chair Watts called the meeting to order at 9:03 A.M.

Prior to the call to order, Ms. Hisatake explained the hybrid meeting participation procedures for the public joining by Zoom or telephone, including the use of the raise-hand feature and star-nine function to indicate a desire to testify, as well as the two-minute per-agenda-item testimony limit.

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

[~9:03 A.M.] Roll call and acknowledgements:

Member Cooke: Present and alone.
Member Hinazumi: Present.

Member Hong: Present in the board session.
Chair Hurd: Excused.
Member Kahahane: Present and alone.
Member Okimoto: Present.
Member Okuhama (Vice Chair): Present and alone.
Member Seddon: Present and alone.
Member Trump: Present and alone.
Member Watts (Chair): Present.
Member Wicker: Present and alone.

Ten (10) members present; quorum established.

B. Approval of Minutes

1. Regular Session Minutes, September 18, 2025

[~9:04 A.M.] This agenda item was deferred.

C. Chairperson's Report

[~9:04 A.M.] Chair stated there was no report.

D. Committee & Permitted Interaction Group Reports

[~9:04 A.M.] This agenda item was deferred.

E. Action Items

1. Request for Approval to Accept Grant Funding from Ulupono Initiative LLC for Contractor to Complete Administrative Catchup Work to Support Agribusiness Development Corporation Staff

[~9:05 A.M.] Chair Watts called for a Motion to Approve.

[~9:05 A.M.] Motion by Member Hong; Second by Member Okimoto.

Member Cooke recused himself from this agenda item at the outset of the staff presentation. Ms. Hisatake confirmed he was muted.

Ms. Gady presented the staff report. The grant from Ulupono Initiative LLC totals $75,000. Staff recommended allocation as follows: $35,000 to the University of Hawai'i Community Design Center (UHCDC) for completion of the ADC Strategic Plan, which was originally procured at $90,000 using OPSD; and $40,000 for temporary professional services to complete meeting minutes and bookkeeping catchup. Staff noted DBEDT advised that direct hiring would violate civil service law, and Ulupono Initiative approved the modified use of funds. Ulupono was consulted and agreed to the change in use while keeping the same general purpose.

Chair asked if anyone from the public wished to give testimony. Ms. Hisatake indicated there was none.

Board Discussion:
Member Hinazumi confirmed that the $35,000 for UHCDC pertains to the proof-of-concept study for the central Ag improvement referenced in the staff report. Ms. Gady confirmed. Chair clarified the grant would fund shortfall alignment and completion of the strategic plan, with the draft to go to the full board at the March meeting, discussion at April, and possible adoption at April. Member Okuhama raised a question about the specificity of grant terms and whether funds for the strategic plan concept study were within the authorized scope. Chair explained the original grant was for a full-time equivalent position, which DBEDT ASO advised would violate civil service law; Ulupono Initiative agreed to redirect funds to the same tasks through professional services procurement.

[~9:11 A.M.] Chair called for the vote. Roll call vote (Member Cooke excused/recused):

Member Hinazumi: Yes.
Member Hong: Yes.
Member Kahahane: Yes.
Member Okimoto: Yes.
Member Okuhama: Yes.
Member Seddon: Yes.
Member Trump: Yes.
Member Watts: Yes.
Member Wicker: Yes.

Vote: 9-0. Motion adopted. (Member Cooke recused; Chair Hurd excused.)

Member Cooke rejoined the meeting.

2. Request for Approval to Issue a Request for Proposals to Provide Public Relations, Communications and Outreach Services for the Agribusiness Development Corporation

[~9:12 A.M.] Chair Watts called for a Motion to Approve.

[~9:12 A.M.] Motion by Member Okimoto; Second by Member Okuhama.

Ms. Gady presented the staff report. The RFP differs from past practice in that it solicits a comprehensive communications strategy—not merely services—from prospective firms. Firms will be evaluated through a state procurement committee. The anticipated contract start date is August 2026 (Fiscal Year 2027), as the current firm is under contract through the balance of FY2026. Additional funds may be needed and will be addressed by the Administration Committee. In drafting the RFP, staff consulted five DBEDT-framework agencies and DBEDT's Public Information Officer for best practices.

Chair asked if anyone from the public wished to give testimony. Ms. Hisatake indicated there was none.

Board discussion:
Member Hinazumi asked whether the approach was consistent with other state agencies. Ms. Gady confirmed that five other DBEDT agencies and DBEDT's PIO were consulted in drafting the RFP. Chair noted the new approach asks for strategic input rather than just a list of

deliverables, which had produced better results. Member Hong noted the importance of specific deliverables and timeframes, and confirmed the expenditure is planned for the FY27 budget with some funds already submitted.

[~9:16 A.M.] Chair called for the vote. No objections or abstentions were noted.

Vote: 10-0 (all present members). Motion adopted.

F. Informational Items

The following items are for discussion only; no motion or vote is required.

1. ADC Participation in Ag Day at the Capital – February 26, 2026 (Farm Bureau)

[~9:17 A.M.] Ms. Akana presented an informational briefing on ADC's planned participation in Ag Day at the Capital on Thursday, February 26, 2026, from 11:00 A.M. to 1:00 P.M. ADC will have four tables showcasing work on Kaua‘i (Kekaha Bridge, Kekaha Bridge, CAT Building), the Waiahulu waterways, ADC land assets and farmers' produce for O‘ahu, and FPIN's work on the Central O‘ahu Agriculture and Food Hub.

Chair asked if anyone from the public wished to give testimony. Ms. Hisatake indicated there was none.

No board vote required. For informational purposes only.

2. FPIN Day at the Capital – February 25, 2026

[~9:18 A.M.] Ms. Akana briefed the board on FPIN Day at the Capital, Wednesday, February 25, 2026, from 11:00 A.M. to 1:00 P.M. The event showcases Hawai'i's locally made value-added food products to legislators and key partners, highlighting innovation, economic impact, and growth potential. Member Wicker added that the event would demonstrate the full FPIN ecosystem from value-added manufacturers to workforce development (Leeward Community College, Maui Food and Innovation Center, McKinley Adult School) to export and business development and noted the strategic sequencing with Ag Day.

Board members were encouraged to attend. Chair emphasized the events support the rationale for the new communications strategy, as ADC's work remains not well understood by legislators and other stakeholders.

Chair asked if anyone from the public wished to give testimony. Ms. Hisatake indicated there was none.

No board vote required. For informational purposes only.

3. Executive Director's Report – Acquisitions, Capital Improvement Projects, Operational Updates, and International Mission Report

[~9:24 A.M.] Ms. Gady presented highlights on current ADC activities:

Acquisitions Update:

Grove Farm (Kaua‘i): Budget of $39 million for 1,040 acres. Board previously authorized ED to negotiate the LOI and PSA. Due diligence underway. Target: bring PSA to the March board meeting for approval, with full acquisition anticipated August–October 2026 pending environmental review. This would be the largest acquisition in ADC's history. Member Hinazumi stepped out during this portion due to a conflict of interest.

Wahiawa Irrigation System: PSA with Sustainable Hawai'i has been executed; funds in escrow. PSA with Dole is under negotiation in coordination with BLNR. Two Dole parcels are essential to ADC's operation of the system and will be included in the PSA directly to ADC, while other parcels go to BLNR (Act 218). BLNR board consideration expected at March 13, 2026 meeting; ADC board approval for execution of the Dole PSA expected at the March 19, 2026 ADC board meeting. The system feeds 17,500 acres of active agricultural land. Member Hong and Member Wicker discussed the economic impact and ownership structure (ADC: dam/spillway and irrigation system to Waihua; DLNR: Lake Wilson and surrounding parcels; DAB: engineering for dam safety with no ownership interest). Chair raised concern about the June 30 deadline under Act 218, and the risk that DLNR's portion may not be completed in time. Ms. Gady agreed to consult with the AG and provide answers at the March meeting when the PSA comes forward.

Slaughterhouse: Due diligence funded and underway; appraisal complete. LOI and PSA in negotiation. Budget: $4 million for land acquisition; $17 million budgeted for facility construction (cannot be requested until PSA is executed).

Egg Cracking Facility (Wahiawa area): Funds released; LOI signed; PSA in negotiation; due diligence beginning. MOA signed with UHCDC for concept development of the business model.

Capital Improvement Projects Update:

Central O‘ahu Food Aggregation Hub: $28 million assigned to DAGS for infrastructure. Groundbreaking held November 2026. The DOE Regional Kitchen groundbreaking (January 29, 2026) is not an ADC-managed project.

HPP Machine and Building: Design-build RFP issued July 2025. Operate-and-maintain procurement in final phase. HCDA will provide project management under existing MOA.

R1 Wastewater Reuse Project (O‘ahu): $4 million released for design. Project would redirect effluent from the Wahiawa Wastewater Treatment Plant for irrigation of non-leafy crops, orchard crops, and golf courses, reducing pressure on the drinking aquifer.

Hawai'i Farm Bureau Farm Field Day: Planned for July 2026 (date TBD). 60th anniversary milestone event. ADC working with Board of Water Supply on water line assignment.

FPIN – O‘ahu: $4 million in FY27 budget for initial design. Statewide facilities addressed separately through $350,000 MOU with UHCDC.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held Virtually on February 19, 2026
Via Zoom Teleconference and In-Person meeting

Operational Updates:

Yardi System: Fully operational; electronic invoices are now being issued proactively for the month ahead. Administration Committee to determine continuation of the system in the next budget cycle.

Personnel: Accountant position vacancy (last day was Tuesday); search underway. Reference checks in progress for Oʻahu Property Manager and Accountant Board Manager.

Member Hinazumi noted that ED reports and write-ups should be posted to the ADC website and included in board packets in advance of meetings. Chair agreed and asked that the ED Report be more clearly listed in the agenda packet distributed before the meeting.

Chair asked if anyone from the public wished to give testimony. Ms. Hisatake indicated there was none.

International Mission Report (sub-item under F.3):

[~9:46 A.M.] Ms. Akana briefed the board on an international delegation mission to New Zealand, Australia, and Singapore. The Mahiʻai delegation—comprising legislators, the Department of Health, UH Community Colleges, and DBEDT—visited six international value-added manufacturing facilities in Auckland (New Zealand Food Bowl, Food Pilot), Perth (Food Innovation Precinct), and Singapore (ScaleUp Bio, Nurasa, ABM, Food Plant, Singapore Polytechnic/Food Innovation and Resource Center). Key takeaways included insights on public-private innovation models, open innovation ecosystems, and Singapore's strategy for food security (targeting 30% local production by 2030 and 50% by 2050 through technology, aquaponics, and hydroponics). Ms. Akana noted many components of Hawai'i's FPIN were informed by these best practices. Chair requested a metrics report tracking site visits and how lessons translate into ADC's pathway.

Board discussion included Member Hong's questions about Singapore's self-sufficiency goals, the capital investment required (Temasek portfolio: SGD $434 billion), and the existing and planned distribution/cold-storage infrastructure for Hawai'i's food system. Member Okimoto and Member Wicker discussed transportation logistics from farm to central kitchen, existing distributor relationships, and the commodity coordinator's ongoing work to map parcels, identify target commodities, and coordinate with DOE for school menu supply. Member Cooke asked about the size of the egg supply currently exported (approximately one 40-foot container per month of off-grade eggs yielding ~20,000 pounds of liquid egg). Chair requested that the commodity-related PIG (Member Cooke's) be included in relevant planning discussions.

Chair asked if anyone from the public wished to give testimony. Ms. Hisatake indicated there was none.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Board of Directors Meeting held Virtually on February 19, 2026
Via Zoom Teleconference and In-Person meeting

G. Adjourn

[~10:06 A.M.] Having no further business before the board, Chair Watts called for a Motion to Adjourn.

[~10:06 A.M.] Motion by Member Hong; Second by Member Hinazumi.

Chair asked if there was any public testimony or board discussion. There was none.

[~10:07 A.M.] Chair called for the vote. No objections or abstentions.

Vote: 9-0. (Member Okimoto noted as excused at adjournment; Chair Hurd excused throughout.) Motion adopted.

Meeting adjourned at approximately 10:07 A.M.

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Regular Board of Directors Meeting held on Wednesday, April 15, 2026 via Zoom Teleconference and In-Person

Pursuant to section 92-3.7, Hawaii Revised Statutes (HRS), this meeting was held with Board members, Staff, Applicants, and the Public participating via Zoom meeting venue, and an In-Person meeting location available for public participation.

Members Present:

Jayson Watts (Chair Watts)
Dave Hinazumi, (Member Hinazumi)
Glenn Hong, (Member Hong)
Earl Yamamoto, HDOA ex officio (Member Yamamoto)
Ciara Kahahane, Deputy Director, DLNR ex officio (Member Kahahane)
Dean Okimoto, (Member Okimoto)
Karen Seddon, (Member Seddon)
Nathan Trump, (Member Trump)
Dane Wicker, Deputy Director, DBEDT ex officio (Member Wicker)

Members Excused (absent for entire meeting):

Jesse Cooke, City and County of Honolulu Member
Jason Okuhama, Vice Chair, Member-at-Large

Staff Present:

Wendy Gady, Executive Director (Ms. Gady)
Mark Takemoto, Senior Executive Assistant (Mr. Takemoto)
Ken Nakamoto, Project Manager (Mr. Nakamoto)
Lyle Roe, Asset Manager (Mr. Roe)
Allison Neustein, Property Manager (Ms. Neustein)
Deo Rhoden, Kauai Water Systems Manager (Mr. Rhoden)

Counsel Present:

None present.

Guests Present:

Trisha Kehaulani Watson, Consultant to Dole Food Company, Hawaii, Inc. (Ms. Watson)
Daniel Nellis, General Manager, Dole Food Company Hawaii, Inc. (Mr. Nellis)
Jared Gale, General Counsel, Dole Food Company, Inc. (virtual) (Mr. Gale)
Stacie Sasagawa, Dale Zane, and Lisa Bell (Dole Food Company representatives)
Thora-Jean "T.J." Cuaresma, Vice Chair, Wahiawa-Whitmore Village Neighborhood Board, testifying in an individual capacity (Ms. Cuaresma)
Emma Grochowsky, Statewide Office on Homelessness and Housing Solutions (Ms. Grochowsky)
David Veltri, Associate General Counsel, Young Brothers, LLC (Mr. Veltri)
Eric Sippert, Hawaii State Energy Office (Mr. Sippert)
Thomas Nizo, Public Works Officer, Pacific Missile Range Facility, U.S. Navy (Mr. Nizo)
Albert "Lyle" and other unidentified members of the public

AGRIBUSINESS DEVELOPMENT CORPORATION
Minutes of the Regular Board of Directors Meeting held on Wednesday, April 15, 2026 via Zoom Teleconference and In-Person

A. Call to Order

Chair Watts called the meeting to order at 9:08 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. The roll call served as a roll call vote, and for each subsequent vote the Chair would ask if there were any objections or abstentions; if there were none, the motion would be approved on the same basis as the initial roll call.

Roll call vote (~9:08 a.m.):
Cooke – Excused
Hinazumi – Present, alone
Hong – Present, in the board room
Yamamoto – Present, alone;
Kahahane – Present, alone (Acting Chair, DLNR);
Okimoto – Present, alone;
Okuhama – Excused; Seddon – Present, alone;
Trump – Present, alone;
Watts – Present;
Wicker – Present, alone.

Quorum was established

Members were reminded to keep their cameras on and visible on screen throughout the meeting, particularly during votes, so the record would reflect who was present at the time each vote was taken.

B. Approval of Minutes

1. Regular Session Minutes, September 18, [2025]

Deferred to the next regular meeting. (~9:10 a.m.)

C. Chairperson's Report

Chair stated he did not have a report. (~9:10 a.m.)

D. Committee & Permitted Interaction Group Reports

Chair stated that the two pending permitted interaction group (PIG) reports would be moved to the next Board meeting's agenda. There was no objection. (9:10 a.m.)

Chair stated that Agenda Item F-4 would be taken out of order.

F-4. Informational item and update by counsel regarding the status of the land acquisition process for Hill Farm; Board discussion pursuant to HRS § 92-4 and § 92-5(a)(4) to consult with Board counsel on the Board's powers, duties, privileges, immunities, and liabilities

Discussion began at (~9:11 a.m.)

Member Hinazumi disclosed a conflict and recused himself from this item.

Chair asked if anyone from the public wished to give testimony. Staff attempted to connect a caller who wished to testify; the individual (Mr. Gady/caller) was unable to connect and no testimony was received. Mr. Nakamoto confirmed no further testimony requests.

There was no staff presentation.

Chair called for a motion.

(~9:15 a.m.) Motion by Member Okimoto; second by Member Wicker.

The motion was to enter Executive Session pursuant to HRS § 92-4, to allow the Board to consult with its attorney pursuant to HRS § 92-5(a)(4) on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities regarding the Hill Farm land acquisition.

Chair asked if anyone from the public wished to testify regarding the decision to enter Executive Session. None appeared.

Roll call vote (~9:15 a.m.): Cooke – Excused; Hinazumi – Excused (recused); Hong – Yes; Yamamoto – Aye; Kahahane – Yes; Okimoto – Yes; Seddon – Yes; Trump – Yes; Watts – Yes; Wicker – Yes.

Motion carried. Board recessed into Executive Session at approximately 9:15 a.m.

Executive Session (closed to the public): approx. 9:16 a.m. – 10:18 a.m.

Chair reconvened the public meeting at 10:18 a.m. pursuant to HRS § 92-4.

Chair reported that in Executive Session the Board discussed Agenda Item F-4, consisting of consultation with Board counsel on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities regarding the Hill Farm land acquisition. Mr. Nakamoto read a summary of the matter discussed into the record.

Chair asked if anyone from the public wished to give testimony regarding the report. None appeared. Chair asked if there was any further Board discussion. There was none. This was an informational report; no action was taken in open session.

Chair stated that Agenda Item F-2 would be taken out of order.

F-2. Presentation by Daniel Nellis, General Manager, Dole Food Company Hawaii, Inc., and Trisha Kehaulani Watson, regarding operational parameters, infrastructure conditions, and system challenges related to the Wahiawa Irrigation System, including the Wahiawa Dam and reservoir

Discussion began at (~10:20 a.m.)

Ms. Watson, on behalf of Dole, presented an overview of the Wahiawa Irrigation System (WIS), including its legislative history under Act 218 (2023), the completed due diligence study (2024), the system's scope (approximately 25–30 miles of infrastructure serving over 9,000–17,000 acres), ownership status, water classification (currently R-2, with a planned R-1 conversion project), revenue potential, and acquisition readiness. Ms. Watson stated Dole is not seeking compensation for the transfer and would become a paying customer of the system following transfer, and that there are no unresolved liability issues from Dole's perspective.

Ms. Watson discussed lessons learned from recent Kona Low storm events, including the successful lowering of the reservoir's minimum operating level (from 65 feet toward 60 feet, in coordination with DLNR) to increase storm capacity and avoid use of the spillway, and recommended the Board consider adaptive, seasonally responsive reservoir-level management going forward.

Board discussion: Member Okimoto asked about public communication protocols during the storm events and whether they would improve once the system is in State hands. Ms. Watson responded that inter-agency communication would improve once ADC and DLNR jointly manage the system, rather than a private entity being constrained from contradicting government emergency messaging.

Chair Watts asked about the Aqua Dam (a temporary flood-control measure) and whether it was included in the sale; Ms. Watson and Mr. Nellis confirmed the Aqua Dam is owned and maintained by DLNR, not Dole.

Member Hong questioned the timeliness of evacuation notices during the recent storm relative to spillway releases, and asked Mr. Nellis about the dam's outlet-tunnel release capacity. Mr. Nellis stated the outlet tunnel releases approximately 150,000 cubic feet per second and that the reservoir level drops roughly 0.8 feet per day from 70 feet under normal outlet operation, underscoring the value of advance drawdown planning.

Chair asked if anyone from the public wished to testify.

(~11:06 a.m.) Ms. T.J. Cuaresma testified, identifying herself as a descendant of the Pico family of Haleʻiwa and Waialua and speaking in her individual capacity (not on behalf of the Neighborhood Board). She expressed concern about minimal community outreach regarding the dam transfer, requested more in-person community meetings in Waialua and Haleʻiwa (not solely by Zoom), and asked whether Dole retained any water rights as part of the transfer. Ms. Watson responded that Dole is not retaining water rights and would become an ordinary paying customer, and apologized for the level of community outreach to date, offering to meet with community members directly.

Member Hong asked a follow-up question regarding public statements on Dole's financial disclosure of potential dam-related liabilities; Ms. Watson stated she would look into the matter.

Chair asked if there was any further public testimony. None was offered.

This was an informational item; no motion or vote was taken.

Chair stated that Agenda Item F-1 would be taken out of order.

F-1. Presentation by Mark Takemoto, Senior Executive Assistant, ADC, regarding Act 218, Session Laws of Hawaii 2023, authorizing acquisition of certain parcels of land related to the Wahiawa Dam, spillway, and Wahiawa Irrigation System currently owned by Sustainable Hawaii, LLC and Dole Food Company

Discussion began at approximately 11:15 a.m.

Mr. Takemoto explained that Act 218 (2023) authorized the Department of Land and Natural Resources (DLNR), the Department of Agriculture and Biosecurity (DAB), and ADC to jointly acquire the Wahiawa Irrigation System as negotiated by the Governor's Office. He explained that DLNR was originally assigned 13 parcels, DAB one parcel (the spillway, due to condemnation authority it holds but cannot itself own in fee), and ADC six to seven parcels; the Governor's Office retained authority to reallocate specific parcels among the agencies as the acquisition was studied further, which accounts for some differences between Act 218's original parcel list and the current acquisition plan.

Mr. Takemoto reviewed maps showing the parcels to be acquired by ADC (from Sustainable Hawaii and from Dole), DLNR's reservoir/recreation-area acquisition, and the extensive ditch and lateral network. He confirmed ADC would hold fee title to the spillway parcel and grant DAB a construction right-of-entry to perform safety improvements, after which the right-of-entry would terminate and ADC would resume full control.

Board discussion: Chair Watts and Member Okimoto asked about the minimum reservoir level required for fish habitat and who would set that level going forward; Mr. Takemoto and Mr. Gady (Ms. Gady) indicated 65 feet is the current DLNR-set minimum and that the appropriate operating level would continue to be a matter of inter-agency coordination among ADC, DLNR (dam safety and aquatic resources), and emergency management.

Chair Watts asked about the system's current R-2 water classification and plans to improve it; Mr. Takemoto confirmed ADC is pursuing an R-1 water conversion project (removing approximately 1.6 million gallons per day of treated wastewater discharge from the reservoir for agricultural reuse), subject to Department of Health mapping restrictions on where R-1 water may be applied.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none. This was an informational item; no motion or vote was taken.

E-1. Request to delegate authority to the Executive Director to negotiate terms in the best interest of the State of Hawaii and execute a certain Wahiawa Irrigation System transfer agreement for the acquisition of the Wahiawa Irrigation System owned by Dole Food Company, Inc. and Wahiawa Water Company, Inc., situated in Central Oahu, City and County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 7-3-050:005, (1) 7-3-013:003, and (1) 7-3-012:002, and various easements

Chair called for a motion.

(~11:38 a.m.) Motion by Member Hinazumi; second by Member Kahahane.

Mr. Takemoto presented, describing the history of the Wahiawa Dam (constructed 1906; rebuilt after a 1921 flood failure with the existing 183-foot spillway), its classification as a high-hazard dam whose failure could flood portions of Waialua and Haleʻiwa, and the due-diligence findings, including limited soil contamination from vagrant activity that ADC intends to further test and remediate, but which staff advised would not prevent continued use of the system for irrigation. He noted a statutory deadline of June 30 under Act 218, after which the Act would be repealed if the State had not taken control of the property.

Chair Watts asked whether the contamination could subject ADC to fines; Mr. Takemoto responded only if the property were put to a use exceeding its intended agricultural/natural-state purpose, which is not planned.

Member Hinazumi asked whether there were substantive terms left to negotiate, given the request language. Mr. Takemoto and Ms. Watson clarified that only certain exhibits (easement details) remained outstanding, and that the Board was being asked to delegate authority to negotiate and execute, with staff returning to the Board (expected in May) with the finalized package before the June 30 statutory deadline.

Chair Watts raised concern regarding Section 3.2 of the draft agreement (Exhibit B), which allows the buyer a 180-day closing period, and asked staff to ensure sufficient time remained to meet the statutory deadline. Ms. Watson confirmed the 180-day period was boilerplate and not mandatory to use in full, and suggested the Board's attorney could advise further if needed.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none.

Roll call vote (~11:58 a.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Yes; Okimoto – Yes; Okuhama – Excused; Seddon – Yes; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-3. Request to delegate authority to the Executive Director to complete the transaction enumerated by the disposition agreement previously approved by the Board in June 2025, to acquire a portion of the Wahiawa Irrigation System owned by Sustainable Hawaii, LLC, situated in Central Oahu, City and County of Honolulu, State of Hawaii, Tax Map Key Nos. (1) 7-1-012:014, (1) 7-1-001:013, (1) 7-1-001:017, (1) 7-1-012:003, (1) 7-1-012:004, and (1) 7-1-012:007

Chair called for a motion.

(~12:01 p.m.) Motion by Member Hinazumi; second by Member Kahahane.

(~12:02 p.m.) Mr. Takemoto presented, describing similar due-diligence findings for the Sustainable Hawaii parcels (title, survey, minor encroachments, and limited petroleum-related soil contamination attributed to vagrant activity), noting the transaction is currently in escrow, and recommending the Board approve completion of the transaction.

Member Hong asked whether the June 30 Act 218 deadline applied to this transaction as well; Mr. Takemoto confirmed it did.

Chair Watts asked whether ADC is appropriately staffed and equipped to manage the system upon transfer. Mr. Takemoto and Ms. Gady stated ADC is not currently adequately staffed or equipped, and that a related funding request (Senate Bill 28) is pending before the Legislature for staffing, security, and remote-metering equipment.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none.

Roll call vote (~12:10 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Support (Yes); Yamamoto – Aye; Kahahane – Aye; Okimoto – Yes; Okuhama – Excused; Seddon – Yes; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

Chair called for a short recess at approximately 12:11 p.m. The Board reconvened at 12:38 p.m.

Chair reconvened the meeting at 12:38 p.m. on Agenda Item E-2, then stated that Agenda Items E-4 and F-5 would be taken out of order.

E-4. Request to pass a resolution, to be signed by the Board of Directors via e-signature, to accept a Federal Energy Technology Innovation Partnership (Cohort 5) grant through the U.S. Department of Energy, to support a technical deep dive related to potential hydroelectric power generation associated with the Wahiawa Dam, Wahiawa District, Oahu, County of Honolulu, State of Hawaii, various Tax Map Keys

Chair called for a motion.

(~12:39 p.m.) Motion by Member Hinazumi; second by Member Okimoto.

(~12:40 p.m.) Mr. Roe presented, explaining that ADC staff applied to and was awarded a position in the Energy Technology Innovation Partnership Cohort 5 in 2025 (delegated authority to seek federal grants), providing up to $50,000 to compensate ADC staff time for a technical feasibility review of hydropower potential at the Wahiawa Dam, to be conducted with the National Lab of the Rockies (formerly the National Renewable Energy Laboratory).

Chair Watts asked whether a matching contribution was required; Ms. Gady and Mr. Roe confirmed none was required. Mr. Sippert (Hawaii State Energy Office) clarified the award is now structured as a subcontract with deliverables, including a scope of work, with a technical analysis expected between April and October 2027, and preliminary results possibly available by the end of 2026.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none.

Roll call vote (~12:45 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Absent (had departed the meeting); Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes.

Motion carried; measure adopted. Note: Member Kahahane departed the meeting prior to this vote; Member Seddon likewise became excused for the remainder of the meeting.

F-5. Presentation by David Veltri, Associate General Counsel, Young Brothers, LLC, regarding the water carrier inflationary cost index ("Wiki" mechanism) legislation

Discussion began at approximately 12:48 p.m.

Mr. Veltri presented on behalf of Young Brothers, LLC, in place of Kris Nakagawa. He described Young Brothers' status as a PUC-regulated common water carrier, the January 1, 2026 approved general rate increase of approximately 25.75%, and the phenomenon of "regulatory lag" in which long, contested general rate cases produce cycles of stagnant rates followed by large catch-up increases. He described proposed legislation (the water carrier inflationary cost index, tied to State wharfage rates, capped at 5% per year in interim years, with a full rate case still required every third year) intended to smooth these increases, and stated the relevant bills remained in conference.

Member Hong offered historical context from his prior experience with a similar wharfage-fee indexing mechanism developed years earlier for Harbors Division capital projects, noting that predictable annual increases had improved bond ratings and reduced overall costs to the State.

Chair Watts noted the relevance of the issue to the food and agricultural industry given thin margins for local farmers. Member Okimoto asked for clarification on the competing bill versions in conference; Mr. Veltri explained one version would reset the matter to the PUC and the other would implement the indexed mechanism described, capped at 5% annually.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none. This was an informational item; no motion or vote was taken.

Chair returned to Agenda Item E-2.

E-2. Request to (1) consent to cancellation of Governor's Executive Order No. 4558 setting aside real property zoned residential to ADC in Wahiawa, City and County of Honolulu, State of Hawaii, Tax Map Key No. (1) 7-3-013:010; (2) request to reset aside a portion of the same property to ADC for agricultural and agricultural worker housing purposes; and (3) consent to set aside of the remaining portion of the property to the Hawaii Department of Human Services for public use

Chair called for a motion.

(~1:06 p.m.) Motion by Member Hong; second by Member Okimoto.

(~1:07 p.m.) Mr. Roe presented, recapping prior Board actions (November and December 2025) regarding a proposed Kauhale (transitional housing community) on ADC-controlled property along Wilikina Avenue, and explaining the proposed split of the approximately 5-acre parcel between ADC (northern approx. 2.7 acres, for agricultural and agricultural-worker-housing purposes) and the Department of Human Services / Statewide Office on Homelessness and Housing Solutions (SOHHS) (southern approx. 2.3 acres, for the Kauhale). He clarified DLNR holds fee title and ADC currently holds only control and management under the existing executive order.

(~1:10 p.m.) Ms. Grochowsky (SOHHS) testified regarding coordination with the Wahiawa Dam rehabilitation project, community outreach conducted to date (including a February 2026 Wahiawa Neighborhood Board presentation), and SOHHS's intent to continue site planning and due diligence.

Board discussion included questions from Member Okimoto regarding community reaction (Ms. Grochowsky described it as generally supportive, with continuing need for deeply affordable transitional housing); from Chair Watts regarding the permanence of Kauhale structures and ADC's ability to reclaim the parcel for agricultural use in the future, and regarding whether approval of the item implied approval of any specific agricultural-worker-housing project (staff clarified it does, correcting an error in the written submittal, which had inadvertently stated the opposite); and an extended exchange between Chair Watts, Mr. Roe, Mr. Takemoto, and Deputy Director Wicker regarding the temporary use of ADC's retained parcel as a staging and access area for dam and spillway remediation work, and whether this was analogous to a previously denied right-of-entry request on Kauai (staff explained relevant distinctions, including that the Kauai parcel was agriculturally zoned for a different purpose, while this parcel's temporary construction access use was linked to the agricultural/irrigation purpose of the acquisition).

Member Okimoto stated his view that agricultural worker housing was a more valuable use of the retained parcel than a small-scale aquaculture project, given the parcel's limited size.

Chair Watts stated the Board should develop a formal agricultural worker housing policy before considering further similar requests.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none.

Roll call vote (~1:30 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon

– Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

The Board next took up a series of similar requests (Agenda Items E-5 through E-16) to amend prior Board actions to provide temporary two-year license fee credits to Wahiawa-area diversified agriculture licensees for acreage for which ADC could not, at the time, provide a reliable irrigation water source.

Ms. Neustein, ADC Property Manager, presented each item, generally noting that: licensees would pay full rent ($1,800/acre/year) on any acreage they were able to bring into production (e.g., via water trucks or access to an adjacent ditch); licensees would maintain the balance of their acreage (mowing/clearing) to reduce wildfire risk at their own cost; the credits were tied to ADC's ongoing effort to deliver irrigation water via a well project (approx. $9.2 million in committed CIP funding) and a potential future connection to the Dole Well and Halemano irrigation system; and licensees carry their own insurance and bear liability for their own equipment and activities on site.

E-5. Request to amend a prior Board action to issue a new license agreement to Kiattisak Kulcharo for approximately 64.5 gross acres, more or less, of PU-16 and PU-23, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~1:31 p.m.) Motion by Member Okimoto; second by Member Trump.

(~1:31 p.m.) Ms. Neustein noted this licensee is farming 3 acres using water drawn from an adjacent ditch and will pay full rent on that acreage; Member Hong identified and staff acknowledged a typographical error in the submittal's non-tillable acreage figure for PU-16 (23.8 acres corrected to 21.8 acres); Member Hinazumi and Member Yamamoto raised questions regarding ADC's potential liability exposure for prior verbal water-delivery assurances and regarding relief for licensees who incur their own water-hauling costs; Chair Watts requested that ADC provide the Board with a corporation budget for context in future fee-credit requests.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~1:49 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Support (Yes); Yamamoto – Aye, with reservations; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-6. Request to amend a prior Board action to issue a new license agreement to Lao Aquafarm, LLC for approximately 57.1 gross acres, more or less, of PU-24, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~1:51 p.m.) Motion by Member Okimoto; second by Member Hinazumi.

Ms. Neustein noted this and the remaining similar items involve licensees not yet farming any acreage. Chair Watts asked about ADC's liability in the event of fire on unirrigated, maintained acreage; Mr. Gady (Ms. Gady) confirmed licensees carry their own insurance.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~1:53 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-7. Request to amend a prior Board action to issue a new license agreement to Suriwong Chaiyachet for approximately 73.7 gross acres, more or less, of PU-17 and PU-22, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~1:53 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation beyond the general framework described above.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~1:54 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – No; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-8. Request to amend a prior Board action to issue a new license agreement to Samarat Khotwongthong for approximately 32.9 gross acres, more or less, of PU-15, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~1:56 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~1:57 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Moved [voted in favor]; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-9. Request to amend a prior Board action to issue a new license agreement to Jannarong Truatnok for approximately 46.4 gross acres, more or less, of PU-18, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~1:58 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~1:58 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-10. Request to amend a prior Board action to issue a new license agreement to Khajornsak Harnpromkitti for approximately 25.1 gross acres, more or less, of PU-19 and PU-28, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~1:59 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~2:00 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-11. Request to amend a prior Board action to issue a new license agreement to Thanongsak Champhang and Phanee Champhang for approximately 84.1 gross acres, more or less, of PU-20 and PU-21, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~2:01 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~2:01 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-12. Request to amend a prior Board action to issue a new license agreement to Suraphon Suwanna for approximately 14.1 gross acres, more or less, of PU-29, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~2:01 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~2:02 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-13. Request to amend a prior Board action to issue a new license agreement to Sila Farm, LLC for approximately 59.2 gross acres, more or less, of PU-27 and PU-30, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~2:02 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~2:03 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-14. Request to amend a prior Board action to issue a new license agreement to So Fa Nuan Bunmaha for approximately 16.7 gross acres, more or less, of PU-26, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~2:03 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~2:04 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-15. Request to amend a prior Board action to issue a new license agreement to KP Farm Group for approximately [not specified in the record] gross acres, more or less, of PU-25, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~2:04 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~2:05 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Yes (briefly reconnected); Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-16. Request to amend a prior Board action to issue a new license agreement to Jatutong Daruan and Ruan Daruan for approximately 10 gross acres, more or less, of PU-14, for diversified agricultural use in Wahiawa, Oahu, Tax Map Key No. (1) 6-4-003:016 (por.), providing a temporary two-year license fee credit for acreage for which ADC cannot provide a reliable irrigation water source

Chair called for a motion.

(~2:05 p.m.) Motion by Member Okimoto; second by Member Hong.

No additional staff presentation.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was Board discussion beyond that noted above.

Roll call vote (~2:06 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

E-17. Request for approval to delegate authority to the Executive Director to execute a Memorandum of Understanding with the University of Hawaii and the Hawaii Department of Business, Economic Development and Tourism for agricultural extension and supportive services (CTAHR positions)

Chair called for a motion.

(~2:06 p.m.) Motion by Member Okimoto; second by Member Trump.

(~2:06 p.m.) Ms. Gady presented, explaining the MOU would transfer legislatively appropriated funds to support 20 CTAHR staff positions statewide and an extension agent position, in support of increasing local agricultural production for institutional purchasing (e.g., Department of Education) mandates, with CTAHR to provide ADC an agricultural support-services plan and a completion report. Deputy Director Wicker added context regarding the legislative appropriation supporting both a budget bill and standalone legislation on the same subject.

Chair Watts asked when a completion report might be expected; Ms. Gady estimated approximately June 2027, following hiring.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none.

Roll call vote (~2:10 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon

– Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

[E-18]. Request to establish a statewide irrigation permitted interaction group to evaluate and make recommendations on current ADC assets and future acquisitions

(~2:11 p.m.) Chair deferred this item to the April 30 meeting, citing time constraints. There was no objection. No discussion, motion, or vote occurred.

E-19. Request for approval to delegate authority to the Executive Director to execute a Memorandum of Understanding with the Hawaii Department of Education, Hawaii Department of Agriculture and Biosecurity, Hawaii Department of Business, Economic Development and Tourism, Hawaii Department of Health, Hawaii Department of Transportation, University of Hawaii, and the Hawaii Department of Labor and Industrial Relations to support coordinated agricultural development, workforce training, and food systems initiatives statewide

Chair called for a motion.

(~2:11 p.m.) Motion by Member Okimoto; second by Member Hong.

(~2:12 p.m.) Ms. Gady presented, describing the multi-agency roles contemplated under the MOU (DOE as lead agency for regional kitchens and statewide policy; DAB, DBEDT, and ADC on enabling local agricultural commodities; DOH on facility inspection; DOT on infrastructure/transportation; UH-CTAHR on crop-suitability mapping and research; UH Community Colleges and DLIR on workforce development), with ADC's role focused on infrastructure, shared facilities, and coordination of commodity and GIS data.

Chair Watts asked extensively about ADC's specific role coordinating farmer participation, commodity planning, and institutional (DOE) procurement, and how the Board could be kept informed given the scale and timeline pressure of the regional central kitchen project. Deputy Director Wicker described ongoing commodity-mapping work with CTAHR, planned grower meetings in April/May 2026, a planned May 14, 2026 meeting with DOE distributors, and the goal of completing a statewide land-use inventory by mid-summer 2026 to inform future acquisitions.

Member Okimoto raised concerns about DOE's institutional readiness and responsiveness to local farmers' needs. Chair Watts requested greater Board involvement in future MOUs of this type, including possible direct Board-to-Board of Education communication, and noted the parallel question of ADC's potential expansion to other islands to support institutional-purchasing goals.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none.

Roll call vote (~2:28 p.m.): Cooke – Excused; Hinazumi – Yes; Hong – Yes; Yamamoto – Aye; Kahahane – Excused; Okimoto – Yes; Okuhama – Excused; Seddon – Excused; Trump – Yes; Watts – Yes; Wicker – Yes. **Motion carried; measure adopted.**

The following informational items were deferred without discussion:

(~2:29 p.m.) Request to delegate authority to the Executive Director to negotiate an agreement with the United States Department of the Navy and others for operation and maintenance of the Kauai ʻLeʻa pump station, and an update regarding the status of a contested-case NPDES permit matter, Department of Health Docket No. 2025-NPDES-1 deferred to the April 30 meeting at approximately 3:21 p.m., with no objection, due to the absence of several Board members and DLNR representation.

Agenda Item F-3 – a presentation could not proceed at this time due to a technical/audio connectivity issue with the presenter (Mr. Nizo); the Board moved on and returned informally to hear related public testimony later in the meeting.

F-6. Presentation by Mark Takemoto, Senior Executive Assistant, ADC, regarding storm damage caused by the March and April 2026 Kona Low storms to ADC water systems and property (Oahu)

Discussion began at approximately 2:33 p.m.

Mr. Takemoto presented photographs and video documenting significant storm-related damage to the Waiahole Irrigation System and related ADC infrastructure on Oahu, including a washed-out siphon, silted and breached ditch sections, off-property stormwater runoff overwhelming irrigation infrastructure not designed for drainage purposes, and near-overtopping conditions at the Waiahole Reservoir requiring emergency sandbagging. He described close coordination with DLNR Dam Safety, the National Guard, and other emergency responders, and identified future needs including improved communications protocols, equipment (including a base yard and heavier equipment access), and closer coordination with tenant farmers during emergencies.

Chair Watts and Member Hong both commented on ADC's limited staffing relative to its responsibilities and requested that a rightsizing/budget discussion be brought to the Admin Committee. Chair asked if anyone from the public wished to testify. None appeared.

F-7. Presentation by Deo Rhoden, Kauai Water Systems Manager, ADC, regarding storm damage caused by the March and April 2026 Kona Low storms to ADC Kauai water systems and property

Discussion began at approximately 2:54 p.m.

Mr. Rhoden presented background on the East Kauai Irrigation System (built in the 1920s; reverted to DLNR in 2000/2019) and reported that, while the system avoided catastrophic damage during the recent storms, it experienced damage to roads, a bridge (the Christian Crossing Bridge, no longer passable), and irrigation ditches from debris, tunnel collapses, and silt. He described current staffing (two employees) and equipment limitations (a small skid steer and mini excavator), reliance on rental equipment and mutual aid, and challenges accessing the Kalepa/Reservoir 21 area, which depends on Grove Farm-controlled water sources.

Chair Watts asked about staffing and equipment sufficiency; Mr. Rhoden and Ms. Gady confirmed current resources are inadequate for larger emergencies and that additional positions and equipment are being requested.

Chair recognized Mr. Thomas Nizo, Public Works Officer at Pacific Missile Range Facility (PMRF), for public testimony.

(~3:12 p.m.) Mr. Nizo testified regarding an urgent situation in which floodwater levels near an eight-inch water main serving PMRF risk a loss of positive pressure and back-siphoning of contaminated water into the base's potable water system if power is lost, and requested Board cooperation and delegated authority to the Executive Director to pursue a short-term, Navy-funded partnership to lower water levels near the pipeline.

Chair Watts noted the related agenda item (informational item regarding the Kauai pump station/NPDES matter) had already been deferred to April 30, and that the Sunshine Law would not permit the Board to take action on the matter today in any event; Chair indicated the matter could be brought back as a properly noticed action item at the April 30 meeting. Deputy County Counsel/Board counsel was not asked to weigh in on the record.

F-8. Briefing by the Executive Director regarding the status of 2026 legislative session measures affecting ADC

Discussion began at approximately 3:23 p.m.

Ms. Gady provided a summary of active, dormant, and resolution measures affecting ADC, including three pending gubernatorial nominations (Members Hinazumi and Watts, and nominee Uyehara to replace Member Hong upon the expiration of his term on June 30, 2026); House Bill 1800 (budget), including potentially significant line items for water system safety, irrigation repair, and agricultural land acquisition, pending release of budget worksheets; Senate Bill 2169 (proposed condemnation authority for ADC); Senate Bill 2405 (agricultural workforce housing working group, on which ADC is appointed); Senate Bill 2407 (a Hawaii Island property manager position, tied to ADC's approximately two-acre holding at Shipman Industrial Park, with additional acreage potentially forthcoming in a separate budget bill); and Senate Bill 2800, in which ADC's capital-needs estimate for existing systems ($35 million) was reported to the Board as having been mis-transcribed in the bill as $350 million.

Chair Watts questioned the Board's lack of upfront involvement in setting legislative testimony priorities and specifically questioned the wisdom of supporting a Hawaii Island property-manager position for only two acres of land, and raised concerns about internal alignment between ADC's legislative advocacy and its approved strategic plan. Ms. Gady acknowledged room for improvement in involving the Board earlier in the legislative testimony process.

Chair asked if anyone from the public wished to testify. None appeared. Chair asked if there was further Board discussion. There was none.

G. Adjournment

(~3:43 p.m.) Having no further business before the Board, Chair asked if there was any objection to adjourning. There was no objection.

Because a vote is required to adjourn, Chair conducted a roll call. Hearing no objections or abstentions, the meeting was adjourned by unanimous consent of those present.

Meeting adjourned at 3:44 p.m.

REPORT OF THE PERMITTED INTERACTION GROUP TO SUPPORT THE HAWAII STATE DEPARTMENT OF EDUCATION'S LOCAL FOOD PROCUREMENT GOALS

TO:	Jayson Watts, Chair of the Board of Directors of the Agribusiness Development Corporation
FROM:	Jesse Cooke, Chair and Member of the Permitted Interaction Group (PIG)
RE:	Report of the Permitted Interaction Group to support the Hawaii State Department of Education's Local Food Procurement Goals

On November 20, 2025, the PIG was established.

The PIG appointed Board Member Jesse Cooke as Chair.

Participants:

The following ADC board members were assigned to this Permitted Interaction Group:

- Jason Okuhama (ADC At-Large Member)
- Glenn Hong (ADC At-Large Member)
- Jesse Cooke (Regular Board Member, City & County of Honolulu)

Purpose of Permitted Interaction Group:

The purpose of this PIG is to ensure farmers are prepared for institutional purchasing requirements and to work closely with the Hawaii State Department of Education (HIDOE) so that both farmers and HIDOE understand expectations as the Wahiawa Regional Kitchen comes online. The PIG will identify barriers and opportunities for farmers to participate in institutional purchasing markets, explore opportunities to expand the institutional food pipeline, and provide recommendations to the Board on policy or operational actions the Agribusiness Development Corporation (ADC) may take to support HIDOE's procurement objectives.

Introduction:

The Hawaii State Department of Education is undertaking one of the most significant changes in the history of its School Food Services program. Along with expanding Farm to School procurement, HIDOE is constructing the Wahiawa Regional Kitchen, which will increase HIDOE's capacity to prepare fresh meals and incorporate more locally produced foods into school menus.

This transition presents an opportunity to strengthen Hawaii's agricultural economy while providing students with fresher, healthier meals. It also requires HIDOE to develop new operational systems that allow local farmers to successfully participate in institutional food procurement.

This report summarizes recurring themes identified during interviews with HIDOE staff, ADC staff, farmers, food hubs, processors, agricultural organizations, and other stakeholders. The interviews revealed strong support for HIDOE's direction while also identifying practical opportunities to improve communication, procurement, logistics, and organizational capacity. The report emphasizes strategies that can strengthen partnerships between HIDOE and Hawaii's farming community.

Opportunities and Barriers for Farmers:

- Expanding Food Safety Certification Among Local Farmers - HIDOE requires most vendors providing raw or lightly processed produce to be USDA Good Agricultural Practices (GAP) certified (such as Harmonized GAP Plus+ and GroupGAP certifications). Currently, there are less than 50 farmers across the state that are GAP certified, which limits the pool of farms eligible to supply schools. Interview participants consistently emphasized the importance of expanding technical assistance and financial support to help small and medium-sized farms obtain food safety certification.
    - Although the new Wahiawa Regional Kitchen will have equipment capable of applying food safety "kill steps" that may allow it to receive produce from some farms that are not GAP certified, many schools outside of the regional kitchen service area will continue to require produce from GAP certified farms. Expanding certification statewide would therefore increase procurement opportunities across the entire school system.

- Increasing Communication and Coordination with Local Farmers Regarding Supply Volumes - A successful Farm to School program will depend upon advance planning between HIDOE and Hawaiʻi's agricultural community. Interview participants noted that farmers would benefit from earlier and more detailed information regarding:
    - types of crops desired;
    - product specifications and dimensions;
    - expected weekly quantities required throughout the school year;

- daily or weekly ordering schedules

Providing this information well in advance would allow farmers, cooperatives, and food hubs to better align production with HIDOE's purchasing needs while reducing uncertainty for both producers and schools. Without such information and more lead time, it is challenging for farmers to scale their production and operations appropriately to meet HIDOE's demand.

- Aligning Menu Planning with Hawaii Agriculture - HIDOE develops and sets menus and local food orders in a centralized fashion. The current menu development process would benefit from incorporating more input from local farmers and producers. Greater coordination during menu planning would help identify opportunities to:
    - incorporate crops that are readily available in Hawaii;
    - better utilize seasonal production;
    - better utilize regional production;
    - reduce situations where menu items are difficult to source locally

  Although HIDOE's school meal menu has improved in terms of highlighting local ingredients, a more formal process that includes farmers in menu development would lead to even greater usage of local food products.

- Continuing to Refine Procurement Processes - Interview participants acknowledged that state and federal procurement requirements are necessarily detailed and designed to ensure fairness and accountability. However, they also observed that these procedures can be unfamiliar to farmers who have not previously sold to government agencies. Procurement forms and paperwork are lengthy (over 70 pages for the Invitation for Bid forms), and the terminology is unfamiliar to farmers. Bidders are disqualified if instructions are not precisely followed. Compounding this problem is that HIDOE cannot be involved in training or providing guidance to farmers on procurement matters. Helping farmers understand the procurement pathways below may increase participation while maintaining compliance with state procurement laws.
    - Micro-purchases: Requires verbal quotes and documentation/memo on rationale for selected vendor and justification if selected vendor is not the lowest price
    - Small purchases: Requires three written quotes and documentation/memo on rationale for selected vendor and justification if selected vendor is not the lowest price
    - Invitation for bid (IFB): Requires selection of lowest bidder (no flexibility), three-month process to develop scope
    - Request for proposal (RFP): Allows for negotiation and more price flexibility, however it is a six-month process to develop the scope of the RFP

- Recognizing the Value of Locally Produced Food - Interview participants suggested continued exploration of procurement strategies that recognize the value of locally grown food while remaining consistent with state procurement requirements. Locally grown food warrants a price premium because it generates public benefits beyond the food itself. Purchasing from Hawaii farmers supports the state's agricultural economy, increases local food production, strengthens food system resilience, provides fresher food for students, and keeps public food dollars circulating within the local economy. When these broader economic, educational, and community benefits are considered, a reasonable price premium can represent a prudent public investment rather than simply a higher food cost.

  - There is a Hawaii products preference statute that provides a 15% price preference for Hawaii agricultural products (locally grown, raised, or harvested) in state procurement bids.

- Providing Greater Predictability in Ordering - Farmers and distributors both benefit from stable purchasing schedules. Interview participants noted that advance notice of significant changes in anticipated purchasing volumes allows farmers to better manage crop production, inventory, labor, and transportation. Farmers and distributors have noted that HIDOE sometimes provides very short notice on order changes. In doing so, it shifts the risk to farmers/distributors by forcing them to adjust their inventories and supplies, respectively, to match HIDOE's order change.
  - For example, if HIDOE decreases its order, then the farmer/distributor holds the risk of finding new buyers for the crops that were grown to meet HIDOE's demand. If HIDOE increases its order, then the farmer/distributor holds the risk of either finding other local farmers who have available supply to sell or quickly ordering/transporting imported crops.

- Supporting Timely Payments - Reliable and timely payment schedules are particularly important for small and medium-sized farms, which often operate with limited working capital. Several interview participants identified timely payment as an important component of maintaining strong supplier relationships and supporting farmer participation in institutional markets. Continued efforts to streamline payment processes may help improve cash flow for farmers while encouraging broader participation in Farm to School procurement.
  - HIDOE payments to suppliers sometimes take several months, which exacerbates cash flow issues for small and medium-sized farmers and creates a mismatch between immediate production costs (seeds, labor, fertilizer, etc.) and delayed income.

- Building Procurement Capacity - Interview participants noted that procurement staff within the School Food Services Branch (SFSB) manage numerous purchasing methods, contracts, and documentation requirements. School cafeteria managers likewise balance procurement responsibilities with daily food service operations. Additional staffing or administrative support could help increase the use of local purchasing opportunities while maintaining compliance with procurement requirements.

- Strengthening Distribution Networks - Distribution remains one of the most important components of a successful Farm to School program. Small and medium-sized farmers lack hauling vehicles and cold storage infrastructure to store and distribute their produce. HIDOE also does not have the equipment and infrastructure to consolidate/aggregate and distribute produce to schools. The available distribution options for local farmers supplying HIDOE include:
  - Farmer can sell to a distributor who is contracted with the HIDOE. The distributor aggregates produce and other food items and has a fleet of refrigerated trucks to deliver to designated schools. The distributor decides which local farmer to buy from and typically looks for local farmers who are willing to sell at a price point where the distributor can make a profit. Please note that local products can be less profitable for the distributor due to higher price points compared to imported products.
  - Farmer can sell and deliver produce directly to a school. Farmers must take orders from schools and make deliveries to each school during a designated time window (to ensure that cafeteria staff are available to receive the produce).

- Expanding Produce Processing Capacity - Many fresh products require washing, peeling, cutting, or other minimal processing before they can be served in school meals. This creates a need for intermediaries with food safety certifications that can minimally process fresh local produce and hold the food safety liability to alleviate the compliance burden on local farmers. Such facilities can reduce food safety responsibilities for individual farms while increasing the number of products suitable for school meal programs.

- Supporting Agricultural Aggregation - Several interview participants identified aggregation as one of the most significant opportunities for expanding local procurement. Aggregation facilities allow products from multiple farms to be collected, inspected, stored, and consolidated before distribution to schools. This approach reduces transportation demands on individual farmers while making procurement more efficient for HIDOE. The Wahiawa Regional Kitchen will provide one important aggregation and processing location, but interview participants noted that additional aggregation partnerships throughout the state could further strengthen Farm to School logistics and expand participation by small and medium-sized farms.

Specific Recommendations for HIDOE:

- Enhance communication and sharing of supply needs throughout the school year. Knowing what schools can and will purchase - and in what quantities - allows producers to plan ahead for crops that take months to grow. Daily or weekly purchasing info allows farmers to determine what and how much to grow, as well as plan for scaling up production to meet HIDOE demand. HIDOE should seek to collaborate more with farmer membership organizations, agricultural technical assistance providers and farm to school stakeholders to develop and implement different effective ways of communicating and sharing out accurate information with farmers.

- Formalize a price premium for local food.
  Incorporate a price premium for locally grown food to further incentivize farmers to supply HIDOE and implement procurement contracts that have different prices for local and imported versions of the same product. This enables HIDOE to specifically choose and pay for local produce but also incentivizes distributors to source local.

- Provide faster payments to local farmers and producers.
  Explore ways to streamline payment timelines to help farmers manage cash flow more effectively. Farmers must pay for seeds, fertilizer, labor, irrigation, fuel, equipment, and packaging months before they receive revenue from selling their crops. Timely payments provide the working capital needed to purchase inputs and prepare fields for subsequent plantings, allowing farmers to maintain continuous production.

- Improve menu development and planning.
  Break up menu development and planning from statewide to an island-level or complex area-level and establish a local farmer consultation process in order to better align menus with regional production capacity.

- Embed more flexibility within procurement contracts.
  Since the negotiation and term of larger HIDOE procurement contracts are set for longer than one year, allow flexibility for price changes for factors specific to the local agriculture environment (such as fluctuating fuel and shipping costs). Allow flexibility for exceptions or adjustments in ordering such as substitutions of imported products in response to local supply disruptions (such as weather/climate or pest issues).

- Consider different procurement methods.
  Explore utilizing RFPs instead of IFBs. RFPs provide HIDOE more flexibility in terms of selection/prioritization of local produce, timing and total contract price (as opposed to line-item pricing under IFBs).

- Develop a legislative advocacy strategy.
  Engage lawmakers and stakeholders to secure funding to increase SFSB procurement staffing. HIDOE management believes that a significant increase in procurement staff will be necessary to work directly with small and medium-sized farmers.

- Negotiate a standard delivery fee with distributors for farmers.
  HIDOE could contract directly with a farmer based on their production capacity. The farmer would drop off the contracted volume of produce at the distributor, who would then aggregate, repack and deliver the produce to the schools. The distributor would charge HIDOE the delivery fee.

- Minimize costs for farmers.
  Purchase supplies (such as packaging) on behalf of all farms supplying HIDOE and pass on bulk volume discounts. Or, for the regional kitchens, HIDOE could purchase, sanitize and circulate reusable boxes that eligible supplying farms can use to transport produce.

Specific Recommendations for ADC:

- Expand food safety training.
  Increase capacity and funding/support to offer accessible, affordable training programs for small and medium-sized farmers, focusing on USDA standards such as Harmonized GAP Plus+ and GroupGAP certifications.

- Develop a regional aggregate facility system.
  Establish a network of aggregate facilities to support small and medium-sized farmers by centralizing collection, preprocessing, storage, and distribution services. These facilities will enable farmers to efficiently supply both value-added markets and institutional buyers, including HIDOE's kitchens.

- Provide food processing and value-add services.
  Provide essential post-harvest treatments such as washing, cutting, and packaging to help farmers meet HIDOE requirements and enable more small and medium-sized farmers to supply HIDOE.

- Increase cold storage capacity.
  Develop statewide cold storage solutions to prevent spoilage, allow better market timing, and aggregate produce from multiple farmers to meet institutional volume requirements such as HIDOE's regional kitchens.

- Provide distribution services.
  For individual farmers, distributing products can be cost-prohibitive due to high transportation and logistics costs. Many small and medium-sized farmers cannot afford their own hauling vehicles and equipment. Providing distribution services will allow local farmers with limited resources to supply HIDOE's regional kitchens and individual school kitchens.

- Provide training and guidance on HIDOE's procurement process.
  Develop and implement training and guidance for farmers on HIDOE's procurement methods, requirements and processes (such as compliance requirements, where to access forms, how to fill out forms, how to submit forms, etc.).

- Establish a farm-to-school steering committee.

Consisting of HIDOE representatives and farm-to-school stakeholders. Enable more communication and collaboration on barriers/challenges, farmer/producer outreach and supply chain coordination.

Conclusion:

The interviews conducted for this project demonstrate widespread optimism about the future of Farm to School in Hawaii. Stakeholders recognize HIDOE's renewed commitment to expanding local food procurement and view the regional kitchen as an important investment in the future of school meals.

At the same time, interview participants identified opportunities that can further strengthen HIDOE's ability to work with local farmers. Building stronger relationships with growers, improving communication, modernizing procurement, expanding food safety assistance, improving production planning, and continuing to build internal organizational capacity will all contribute to a more resilient Farm to School program.

Perhaps the most important message from the interviews is that Farm to School is not simply a purchasing initiative. It is the development of an integrated food system built on collaboration among HIDOE, ADC, farmers, distributors, food hubs, processors, educational institutions, and partner agencies. By continuing to strengthen these partnerships and refining operational processes, HIDOE can create a Farm to School program that benefits students, supports local agriculture, and contributes to a more resilient food system for Hawaii.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAIʻI
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OULU AINA MAHIAI

JULY 16, 2026

Subject:	Request for approval to execute a first amendment to the memorandum of agreement between the Agribusiness Development Corporation and the Hawai´i Community Development Authority to provide project management for the development of the Central Oʻahu Agricultural and Food Hub, District of Wahiawā, City & County of Honolulu, State of Hawaiʻi, Various Tax Map Key Nos.
Applicant:	Agribusiness Development Corporation (ADC)
Authority:	163D-4(a)(5) and (15), Hawai´i Revised Statutes

BACKGROUND:
On January 15, 2026 the ADC Board approved the request to execute and enter into a Memorandum of Agreement (MOA) between the Agribusiness Development Corporation (ADC) and the Hawai´i Community Development Authority (HCDA) for HCDA to provide project management for the development of the Central O´ahu Agricultural and Food Hub, District of Wahiawā, City & County of Honolulu, State of Hawaiʻi, Various Tax Map Keys, including the development of buildings and facilities on the site. The MOA is effective February 1, 2026.

Act 175, Session Laws of Hawaii 2026, appropriated:

$7,073,311 (MOF B) for Green Fee – Food and Product Innovation Network

$6,000,000 (MOF C) for Processing Manufacturing Facility, Oahu

REQUEST:
Staff requests that the Board authorize the Executive Director to execute Amendment 1 to the MOA between ADC and HCDA, which incorporates the newly appropriated funds and an HCDA administrative fee in the amount of $2,000,000. If additional funds are appropriated for the Project in the future, HCDA shall be entitled to additional fees for its services, to be mutually agreed upon by the Parties.

OPERATIONAL PLAN:
HCDA will continue assisting ADC by providing project management for master planning activities and coordination with consultants and other state agencies. All work is subject to the availability of funding.

CONSERVATION PLAN:
N/A

CHAPTER 343:
N/A

State Office Tower • 235 South Beretania Street, Suite 205 • Honolulu, Hawaiʻi 96813
(808) 586-0186 • www.dbedt.hawaii.gov/adc

DISCUSSION:
Consider Authorizing the Executive Director to execute Amendment 1 to the MOA, attached hereto, with ADC that incorporates funds appropriated in the 2026 legislative session for the development of the Whitmore South Parcels and Whitmore North Parcels.

RECOMMENDATION:
Based on the foregoing, staff recommends that the Board approve the Request noted above.

Respectfully Submitted,

Ken Nakamoto

KEN NAKAMOTO
Project Manager

Approved for Submission:

Wendy L. Gady

Wendy Gady
Executive Director

AMENDMENT 1 TO THE

MEMORANDUM OF AGREEMENT
FOR THE
OWNER'S REPRESENTATIVE/PROJECT MANAGER
FOR THE
CENTRAL OAHU AGRICULTURE AND FOOD HUB AND WHITMORE NORTH

This First Amendment ("Amendment 1") is entered into on ___________________, 2026, and effective as of August 1, 2026 (the "Effective Date") by and between the HAWAII COMMUNITY DEVELOPMENT AUTHORITY ("HCDA") and AGRIBUSINESS DEVELOPMENT CORPORATION ("ADC") and hereby amends that certain Memorandum of Agreement ("MOA"), effective the 1st day of February 2026, between the parties (collectively, the "Parties").

RECITALS

WHEREAS, Section 5 of the MOA, AMENDMENT AND MODIFICATION, provides that the MOA may be modified or amended by mutual written agreement of the Parties; and

WHEREAS, the Parties wish to amend Section 3 of the MOA regarding the budget and payment schedule;

NOW, THEREFORE, the Parties agree to amend the MOA as follows:

1. Section 3 of the MOA is amended as follows:

3. BUDGET AND PAYMENT SCHEDULE

The total funds available for the Project is $13,073,311, which shall be encumbered and expended at the direction of the HCDA. The HCDA shall be compensated by ADC for facilitating and coordinating the development of the Project in the amount of Two Million Dollars ($2,000,000).

All other terms and conditions of the MOA remain unmodified and in full force and effect.

The Parties agree that their duly authorized representatives have executed this Amendment 1, effective as of the date written above.

APPROVED AS TO FORM:

____
Deputy Attorney General, Representing ADC

Date: ____________________

Agribusiness Development Corporation (ADC)

____
Wendy Gady, Executive Director

Date: __________________

APPROVED AS TO FORM:

____
Deputy Attorney General, Representing HCDA

Date: _________________________

Hawai‘i Community Development Authority (HCDA)

____
Craig K. Nakamoto, Executive Director

Date:________________________

Background

The ADC Board previously designated Tax Map Key (1) 6-4-003:016 (Exhibit A) for agricultural use by small and disadvantaged farmers. The property consists of approximately **511 gross acres**, with an estimated **390 tillable acres** available for agricultural production. The property is currently served by the Wahiawā Irrigation System (WIS) illustrated in Exhibit A.

As illustrated in Exhibit B several farmers are actively cultivating portions of the property. Those parcels located nearest the Wahiawā Irrigation System have been able to initiate farming operations by pumping water directly from the existing irrigation system.

Current Infrastructure Planning

ADC has received $9.2 million in Capital Improvement Project (CIP) funding for improvements to Central Oʻahu irrigation infrastructure. The funding was intended to support refurbishment of one of the former Dole wells acquired by ADC, construction of a transmission pipeline from the well to serve this agricultural area, and associated irrigation infrastructure necessary to improve water delivery and system reliability.

ADC has also retained a design consultant to develop the engineering necessary to support these improvements. The current conceptual approach includes:

- Construction of a diversion or catch basin connected to the Wahiawā Irrigation System;
- Installation of two booster pumps to convey water from the Wahiawā Irrigation System to the highest elevation of the property;
- Construction of a transmission pipeline to the upper portion of the parcel;
- Construction of a lined storage reservoir to provide operational storage and improve system reliability; and
- Installation of a gravity-fed distribution system extending from the reservoir to agricultural parcels throughout the property, providing consistent and efficient water delivery while minimizing future pumping costs.

Completion of these improvements would significantly enhance water reliability, increase the acreage capable of sustained agricultural production, improve operational efficiency, and further the Board's objective of supporting agricultural development in Central Oʻahu.

Policy Consideration

Historically, ADC's policy has been to deliver irrigation water to agricultural parcels rather than directly to individual farming operations. As design work progresses, the Board may wish to provide policy direction regarding the intended level of irrigation service for this property.

Specifically, the Board may consider whether to:

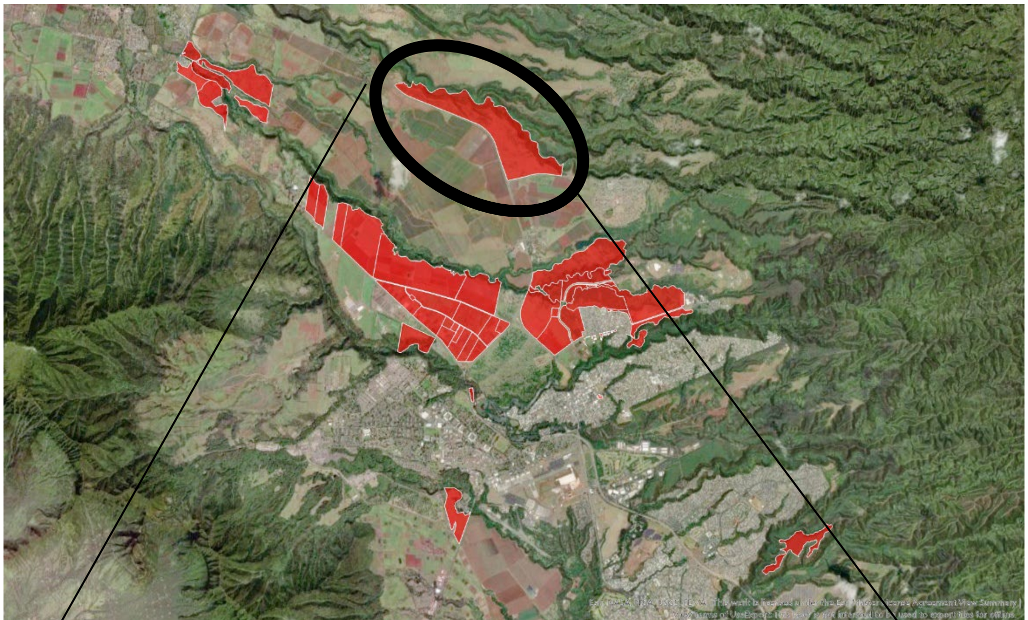
1. Continue the existing policy of providing irrigation water to the property boundary or designated delivery points, with individual farmers responsible for on-farm distribution infrastructure;
2. Authorize the development of a centralized distribution system that delivers water directly to individual farm lots within this property designated for small and disadvantaged farmers; or
3. Provide alternative policy direction regarding the extent of ADC's responsibility for water delivery infrastructure within the project area.

Staff seek the Board's guidance regarding the preferred policy direction, as this decision will influence the final design, construction scope, estimated project costs, future operation and maintenance responsibilities, and long-term management of the irrigation system.

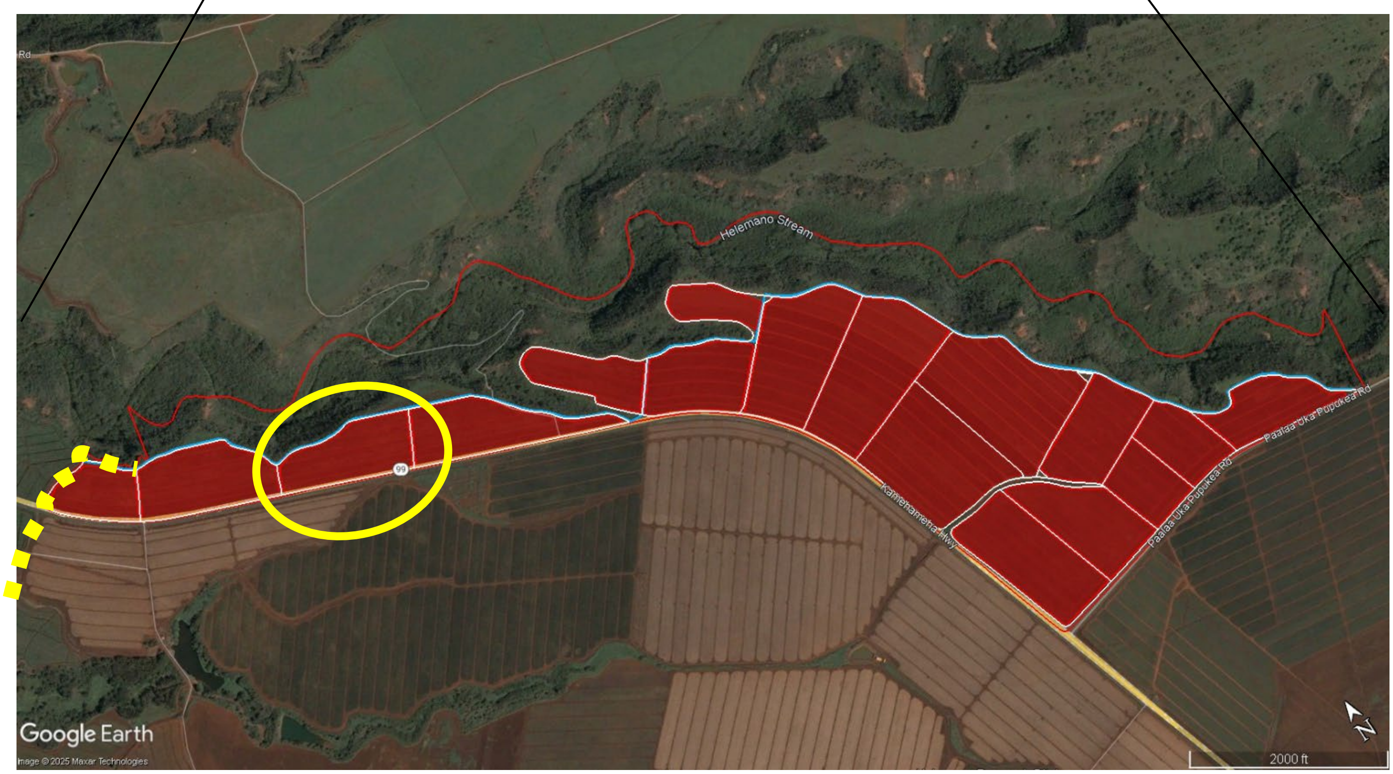
F-1

Exhibit A

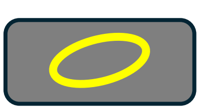
Map of farm fields on TMK (1)6-4-003:016



Gross acres – 511, with approximately 390 tillable acres



1. Wahiawa Irrigation System location of available water source



2. Exhibit B photos taken in location #Lot3 circled on the map

Exhibit B

Photos taken in Lot #3 circled on the map in Exhibit A

Vine crops grown on trellis, subsoil irrigation under the plastic mulch

JOSH GREEN, M.D.
GOVERNOR

KEITH REGAN
ACTING LT. GOVERNOR

WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAIʻI
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OULU AINA MAHIAI

July 10, 2026

TO: Agribusiness Development Corporation Board of Directors

FR: Wendy Gady, Executive Director

RE: July Executive Director Report

The 2026 Legislative Session represents one of the most significant periods of investment in the Agribusiness Development Corporation's history. The Legislature and Governor have entrusted ADC with expanded operational funding, new staffing resources, major capital investments, Green Fee awards, land acquisition funding, and debt relief that collectively strengthen ADC's ability to fulfill its statutory mission.

These investments recognize ADC's growing statewide responsibility for acquiring and stewarding agricultural lands, operating and rehabilitating critical irrigation and water infrastructure, supporting agricultural production, developing value-added processing capacity, and strengthening Hawaiʻi's agricultural economy.

With these new resources comes an equally significant responsibility. Successful implementation will require disciplined project management, timely procurement, sound fiscal oversight, effective asset management, and continued Board governance to ensure that these public investments deliver measurable and lasting benefits to Hawaiʻi agriculture.

Executive Dashboard

FY2027 Legislative Highlights	**Amount**
Additional Operating Funds	$4,762,987
Green Fee Awards	$20,159,311
Capital Improvement Projects	$11,150,000
Hawaiʻi Agricultural Development Revolving Fund	$10,000,000
New Oʻahu Water Systems Manager Position	1
Waiahole Irrigation System Bond Debt	Fully Paid

Legislative Highlights

Operations

Operating Budget

HB 2275, HD1, SD2, CD2 provides an additional **$4,762,987** in general revenues for ADC's FY2027 operations.

This funding provides important operational capacity as ADC continues to expand its statewide responsibilities for agricultural lands, irrigation systems, water infrastructure, environmental compliance, capital projects, land acquisition, and strategic partnerships.

Although certain recurring operational appropriations were removed during budget development, these additional general funds provide an important one-year bridge while ADC continues evaluating long-term operational funding strategies.

New Oʻahu Water Systems Manager

The Legislature and Governor also authorized an additional Oʻahu Water Systems Manager position.

This position is essential as ADC assumes increasing responsibility for operating and stewarding major agricultural water systems on Oʻahu, including reservoirs, pumping facilities, transmission systems, irrigation infrastructure, regulatory compliance, emergency response, capital planning, and long-term asset management.

The position significantly strengthens ADC's operational capacity to manage both the Waiahole Irrigation System and the recently transferred Wahiawā Irrigation System.

Agricultural Land Acquisition

SB 2169, SD1, HD1, CD2 reinforces ADC's statutory role in assembling agricultural lands, irrigation infrastructure, easements, and related assets necessary to expand agricultural production and strengthen Hawaiʻi's long-term food security.

The legislation recognizes the importance of overcoming fragmented ownership and infrastructure constraints that often prevent agricultural lands from reaching their productive potential.

In addition, the Legislature appropriated **$10,000,000** to the Hawaiʻi Agricultural Development Revolving Fund to support future agricultural land acquisition, including opportunities on Hawaiʻi Island.

Food Systems Development

SB 3320 is **$2.8 million** for the Food and Product Innovation Network (FPIN).

FPIN supports farmers, food entrepreneurs, and agricultural businesses by expanding opportunities for product development, processing, food safety, commercialization, and value-added manufacturing.

Together with ADC's investments in agricultural infrastructure, irrigation systems, feed production, livestock processing, and post-harvest facilities, FPIN strengthens the State's broader agricultural value chain.

Waiahole Irrigation System Bond Payoff

The Legislature fully funded the payoff of the remaining Waiahole Irrigation System bond debt.

This achievement reflects years of responsible financial management and removes a long-standing financial obligation, allowing future revenues to be directed toward system operations, maintenance, rehabilitation, and agricultural infrastructure improvements.

The payoff was also identified as a legislative priority by the Hawaiʻi Farm Bureau Federation, demonstrating the value of collaboration between ADC, agricultural organizations, legislators, and producers in advancing issues important to Hawaiʻi agriculture.

Capital Improvement Program

The FY2027 Capital Improvement Program continues ADC's strategy of developing statewide agricultural infrastructure that supports production, processing, manufacturing, and value-added agriculture.

Major appropriations include:

- $6,000,000 — Entrepreneur Processing Manufacturing Facility
- $4,500,000 — Commercial agricultural land acquisition on Oʻahu
- $650,000 — Food processing facility plans, design, and equipment

These projects will expand agricultural processing capacity while supporting long-term economic development and agricultural diversification throughout the State.

Green Fee Investments

ADC has been awarded significant Green Fee funding to support agricultural infrastructure, land stewardship, irrigation improvements, wildfire mitigation, watershed management, food systems development, and agricultural production.

Projects include:

- **West Kauaʻi Agricultural, Watershed, and Wildfire Initiative** — $10,886,000
- **Food and Product Innovation Network** — $7,073,311
- **Feed Mill Development** — $1,400,000
- **Wahiawā Irrigation System Remediation** — $750,000
- **Cattle Slaughterhouse Concept Development** — $250,000

Collectively, these investments total **$20,159,311**, representing one of the largest coordinated agricultural infrastructure initiatives undertaken by ADC.

Implementation Status

Staff have already begun developing detailed scopes of work and implementation schedules for each Green Fee project to position the Corporation for timely execution.

Each project will first be presented to the Administration Committee for review before consideration by the full Board.

Administration Committee review will ensure that projects are sufficiently developed before Board action, allowing Board discussion to focus on governance, fiscal oversight, procurement strategy, project risks, implementation schedules, and expected outcomes.

Capital Improvement Projects will follow the same governance process, providing consistency in Board oversight across major investments.

One-Year Expenditure Requirement

A significant implementation challenge associated with Green Fee funding is the statutory requirement that funds be expended within one year.

Meeting this accelerated timeline will require ADC to:

- Finalize project scopes of work;
- Complete procurements;
- Execute necessary agreements;
- Coordinate implementation partners;
- Obtain required approvals; and
- Carefully monitor project schedules and expenditures.

Staff have already initiated project planning activities to position ADC for successful implementation while maintaining appropriate procurement practices, fiscal controls, and Board oversight.

Governance Considerations

The significant expansion of ADC's operational responsibilities and capital investments will require continued timely Board engagement.

During the coming fiscal year, Board governance will be particularly important in:

- Reviewing procurement strategies;
- Approving project implementation plans;
- Monitoring budget execution;
- Reviewing land acquisition opportunities;

- Evaluating project risks;
- Monitoring Green Fee expenditure schedules; and
- Providing policy direction for long-term agricultural infrastructure investments.

Looking Ahead

The investments provided during the 2026 Legislative Session represent an extraordinary opportunity to advance ADC's statutory mission and strengthen Hawaiʻi's agricultural future.

Expanded operational funding, additional staffing resources, Green Fee investments, land acquisition funding, capital improvement projects, FPIN development, and the payoff of the Waiahole Irrigation System bond collectively position ADC to deliver meaningful improvements in agricultural infrastructure, water systems, food production capacity, and long-term stewardship of public agricultural assets.

Our responsibility now is to translate these appropriations into measurable results: agricultural lands preserved for production, irrigation systems restored and maintained, value-added businesses expanded, critical infrastructure developed, and farmers better supported throughout Hawaiʻi.

I remain grateful to the Board, ADC staff, the Governor and Administration, the Legislature, state and county agencies, the Hawaiʻi Farm Bureau Federation, agricultural producers, water users, and our many community partners whose collaboration has made this progress possible.

The 2026 Legislative Session reflects a significant investment in ADC and, more importantly, in Hawaiʻi's agricultural future. With thoughtful governance, disciplined implementation, and continued collaboration, ADC is well positioned to deliver lasting benefits that will support Hawaiʻi agriculture for generations to come.

Upcoming Board Actions

During the next quarter, the Board will be asked to consider:

- Green Fee project scopes of work
- Capital Improvement Project implementation strategies
- FY2028 operating budget development
- Land acquisition opportunities
- Green Fee implementation and expenditure updates
- Procurement strategies for major projects
- Quarterly implementation and performance updates

These actions will help ensure that ADC successfully transforms the resources provided during the 2026 Legislative Session into meaningful and enduring outcomes for Hawaiʻi agriculture.