

LINDA LINGLE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**TESTIMONY OF THE CHAIRPERSON
OF THE BOARD OF LAND AND NATURAL RESOURCES**

On Senate Bill 2421, Senate Draft 2- RELATING TO LAND ACQUISITION

**BEFORE THE HOUSE COMMITTEE ON
WATER, LAND, OCEAN RESOURCES AND HAWAIIAN AFFAIRS**

March 14, 2008

Senate Bill 2421, Senate Draft 2 proposes to appropriate funds for the acquisition of land in Wahiawa, Oahu, currently owned by the George Galbraith Estate, or to acquire the property through outright purchase, cooperative agreement, or exercise of the State's power of eminent domain. While the Department of Land and Natural Resources (Department) acknowledges the intent of this measure, the Department nonetheless has concerns with the budgetary implications this bill will have on the Executive Supplemental Budget request and offers the following comments.

The Department has been involved in the proposed acquisition of this land over the last 15 years. In 1994, the Board of Land and Natural Resources (Board) approved a land exchange between the Galbraith Trust and the State for the acquisition of the subject lands. The exchange eventually failed due to the inability of the parties to find replacement lands acceptable to the Galbraith Trust.

Subsequent to the failure of the proposed exchange, the Legislature created the Legacy Lands Conservation Commission (Commission) under Chapter 173A, Hawaii Revised Statutes (HRS), specifically for the purpose of evaluating the merits and advising the Board on acquisitions involving valuable agricultural lands and other lands that have any of the resource values set forth in Section 173A-5, HRS. Given the limited resources of the State to acquired lands with resource values, the Commission was tasked with evaluating and prioritizing potential acquisitions while balancing the needs for the various resource lands enumerated under Section 173A-5, HRS. The Department believes that this proposed acquisition should be subject to the scrutiny of Commission to ensure that it is compatible with the State's priorities for acquiring valuable lands established under Chapter 173A, HRS.



2343 Rose Street, Honolulu, HI 96819
PH: (808)848-2074; Fax: (808) 848-1921

March 14, 2008

HEARING BEFORE THE
HOUSE COMMITTEE ON WATER, LAND, OCEAN RESOURCES
AND HAWAIIAN AFFAIRS

TESTIMONY ON SB 2421, SD 2
RELATING TO LAND ACQUISITION

Chair Ito and Committee Members:

My name is Alan Takemoto, Executive Director, of the Hawaii Farm Bureau Federation, which is the largest non-profit general agriculture organization representing approximately 1,600 farm and ranch family members statewide.

The Hawaii Farm Bureau Federation supports SB 2421, SD 2, which appropriates funds to purchase land in central Oahu from the Galbraith Estate.

The Galbraith Estate is comprised of 2,100 acres of agricultural-zoned land in Central Oahu. These lands are made up of 20 individual and contiguous parcels next to Wahiawa near Lake Wilson and Schofield Barracks. The Galbraith Estate has some of the best and most productive agricultural lands in the State. If the State can purchase and manage these lands, we will ensure that agriculture in Hawaii will increase in productivity and capacity.

As urban development continues to encroach on agriculture, we believe that the State has a responsibility to help protect valuable agricultural-zoned lands from development and to preserve it for future agricultural production. The purchase of the Galbraith Estate lands by the State is a step in this direction.

We urge this committee to approve the passage of this measure.

Thank you.



KAMEHAMEHA SCHOOLS

March 14, 2008

The Honorable Ken Ito, Chair and Members
Committee on Water, Land, Ocean Resources & Hawaiian Affairs
The House of Representatives
Hawaii State Capitol
415 South Beretania Street, Room 312
Honolulu, Hawaii 96813

Dear Chair Ito and Members:

Testimony in Support of Senate Bill 2421 SD2 Relating to Land Acquisition

I am Kapu C. Smith, Senior Land Asset Manager for Kamehameha Schools' Kawailoa Plantation in Waialua, Oahu. I am here to testify in support of SB 2421 SD2 because it recognizes the need to protect "important agricultural land" (IAL) and the value of the Wahiawa Reservoir irrigation system. If the portion of the system which lies on Galbraith land is not protected, thousand of acres of land will be without a reliable source of irrigation water including our own at Kawailoa Plantation. However we must caution that our support is based on the assumption that the purchase will be based on an agreement with a willing landowner and not pursuant to condemnation.

Thank you for the opportunity to express our views on this matter.



**THE TRUST FOR PUBLIC LAND'S TESTIMONY IN SUPPORT OF
SB 2421
House Committee on Water, Land, Ocean Resources and Hawaiian Affairs
Friday, March 14, 2008, 10:00 a.m., Room 312
WLHtestimony@capitol.hawaii.gov**

Dear Chairperson Ito and Vice Chair Karamatsu:

The Trust for Public Land (TPL) supports SB 2421 Relating to Land Acquisition. TPL is hopeful that additional funding from the Army and other sources may be compiled to effect a public purchase.

TPL conserves land for people to enjoy as parks, gardens and other natural places, ensuring livable communities for generations to come. Nationwide, TPL has five program initiatives: (1) providing parks for people, (2) protecting working lands (farms, ranches, and forests), (3) conserving natural lands (wilderness, wildlife habitat), (4) safeguarding heritage lands (cultural and historical resources), and (5) preserving land to ensure clean drinking water and the natural beauty of our coasts and waterways. In Hawai'i, TPL has worked with public and private partners to conserve over 36,000 acres of land in the State, including Pūpūkea-Paumalū and Waimea Valley on O'ahu, Wao Kele o Puna on Hawai'i Island and Mū'olea Point on Maui, and Lumaha'i Beach on Kaua'i.

As development pressures and urban sprawl increase on O'ahu, our local community has become increasingly concerned about land use, food self-sufficiency and security, natural resource depletion, and economic dependency on imported food and products. The people of Hawai'i have agreed that agricultural preservation and self-sufficiency are important and embodied these values in our State Constitution, which requires the State to "conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands." Art. XI, sec. 3.

Agricultural land located in Central O'ahu, such as the 2,100 acres currently for sale by the Galbraith Estate, are key to Hawai'i's future food security and self-sufficiency. These lands are close to local markets and transportation corridors, and have ample supplies of irrigation water. The Galbraith lands also serve as an important recharge area over our drinking water aquifer. The lands are the gateway to the rural North Shore, and are the "first domino" parcel of agricultural lands that will inevitably convert to gentlemen's estates or residential subdivisions, if we do not act in a timely fashion.

TPL supports SB 2421 because acquisition of the Galbraith lands furthers the values of Hawai'i's people and preserves essential resources for future generations. SB 2421 also allows the State to work with other conservation minded partners to acquire and

manage the lands. Further, acquisition would resolve some of the issues concerning the ownership of, and liability for Lake Wilson.

TPL supports SB 2421, is conducting an appraisal and is ready to assist the State and other conservation partners in collaborative efforts to acquire the Galbraith lands.

Mahalo for this opportunity to testify.


Lea Hong
Hawaiian Islands Program Director

Galbraith Trust Lands

The Wahiawa Community and Business Association supports SB 2421 for the following reasons:

The loss of 2,100 acres of prime agricultural lands in central Oahu is only part what's at stake.

1) The loss of AG-1 zoned lands, the highest agricultural land designation by the State of Hawaii for prime and most productive agricultural lands. Oahu can ill-afford to lose any more large tracts of prime agricultural lands for a host of reasons.

- It will be a setback to Hawaii if we are to move towards food self-sufficiency and food security. Central Oahu and the North Shore can supply Honolulu and beyond with a diverse selection of high quality, local fresh fruits and vegetables.
- Open spaces and scenic resources are critical to the visitors' experience and our own quality of life. The vast majority of visitors who come to Oahu have been here before and nearly half of them go to the North Shore. These lands sit in the saddle of the Koolau and Waianae ranges and it's on the "Circle Island Corridor". These lands represent part of Oahu's "last stand" in terms of wide-open rural spaces.
- Wide open spaces serves as a water catchment area and irrigation of agricultural crops recharges our aquifers. Development of these lands will facilitate quicker run-offs into the ocean.

2) Development of these lands will remove a critical "agricultural buffer zone" or Army Compatible Use Buffer that could restrict the army's ability to train its troops here on Oahu. The majority of troops are based on this island but the U.S. Army provides a significant economic benefit to the community and businesses throughout the state. In fiscal year 2005, \$1.9 billion was invested directly into Hawaii's economy. The loss of training areas and access to training areas, because of nearby development, could reduce troop levels stationed in Hawaii. Any downsizing will negatively impact the health of our economy.

3) The integrity of the State Historic Monument Kukaniloko will be compromised if surrounded by development. Kukaniloko provides a cultural experience for visitors and local residents alike and view plains are intrinsic to this historic site.

4) Management of Lake Wilson's water resource is critical to farmers from Wahiawa to the North Shore. Lake Wilson provides an economically viable source of water for pineapple, seed crops and diversified agriculture.

Management of the lake's dam and water levels are also critical to flood risk issues in Waialua.

To disconnect viable agriculture on these specific 2,100 acres and the water adjacent to these lands threatens the sustainability of Central Oahu and North Shore agriculture. Lake Wilson water used for agriculture also recharges the aquifer on the North Shore.

Tourism, the military and agriculture are pillars of our economy. Do we want to jeopardize the health of Hawaii's economy and our quality of life for "Gentlemen Estate Farms"? Let's continue to live Aloha and Malama ka Aina! The long-term health of our economy and the quality of our lives are at stake.

Respectfully,

Libby Smithe

1st Vice President, Wahiawa Community and Business Association

Dan Nakasone

2nd Vice President, Wahiawa Community and Business Association

**TESTIMONY OF BILL LANI ON SB 2421, A BILL AUTHORIZING THE
DEPARTMENT OF LAND AND NATURAL RESOURCES TO ACQUIRE LANDS
OWNED BY THE GALBRAITH ESTATE IN CENTRAL OAHU**

March 14, 2008

Aloha mai kakou! My name is Bill Lani. As a beneficiary to the Galbraith Estate, I appreciate the opportunity to testify in opposition to SB 2421.

There is no doubt in my mind that the intent of the members sponsoring and supporting this bill is an admirable one – the preservation of prime agricultural lands in Central Oahu. I understand fully the public policy objective by the State of Hawaii to preserve our limited natural resources, particularly agricultural lands.

However, given the complexity, history, and controversy related to previous, ongoing, and potential court proceedings regarding the Galbraith Estate, I respectfully ask that the members of this Committee and the Hawaii State Legislature carefully consider the precedent it will be setting by supporting this legislation.

First, I think it is premature for the Legislature to be acquiring Galbraith Estate lands until there is resolution in the courts on the distribution of assets to the estate's beneficiaries. It is no secret that many, including beneficiaries, have questioned the management and administration of the estate by its current trustees, including the previous selling of Galbraith Estate lands. Many have no confidence that the current trustees will safeguard the interest of the beneficiaries by selling off lands now, including if it was forced to through government condemnation proceedings. Does the Legislature treat all unresolved trusts like this?

Second, I would have grave concerns over whether the State of Hawaii intends on paying fair market value for the costs of these lands. If the estimated value of such lands according to county records is \$100 million, is this what the Hawaii State Legislature will be minimally appropriating for acquisition? Anything short of this, in my view, will constitute a taking of private property without just compensation, which is unconstitutional. Furthermore, any authority given the State to offer a land exchange in lieu of compensation would be equally concerning as the valuation for such an exchange could be of even lesser fair market value than a direct outlay by the State. The State should not leave itself vulnerable to court challenges.

Third, we must ask ourselves, what is the underlying objective of this legislation. If it is to stop the trustees from selling Galbraith Estate lands to developers and risk the lands to be redesignated from agricultural lands for development purposes, then consider simply putting a moratorium on or prohibit the selling of such lands until court proceedings on this matter are resolved between the trust and its beneficiaries. There are many beneficiaries who support the preservation of these lands in agricultural use, but want a greater say in its disposition. Work with us to achieve this end.

Again, as a beneficiary of the estate, I want to reiterate my opposition to SB 2421 by asking the members of this committee and the Legislature to consider the consequences of this legislation and the unfair burden that this places on the beneficiaries of the estate, many whom have expressed concerns by the current trustees in the fair administration and management of this trust.