



**THE TRUST FOR PUBLIC LAND'S TESTIMONY IN SUPPORT OF
SB 2421**

**Senate Committee on Water and Land
Saturday, February 9, 2008, 11:00 a.m., Room 229
testimony@capitol.hawaii.gov**

Aloha Chairperson Hee and Vice-Chair Kokubon:

The Trust for Public Land (TPL) supports the intent of SB 2421 Relating to Land Acquisition, but is concerned that the proposed appropriation of \$100 million far exceeds the value of the land. TPL suggests instead that the Legislature consider appropriating \$20 million for a potential acquisition. TPL is hopeful that additional funding from the Army and other sources may be compiled to effect a public purchase. I apologize if a representative of TPL is not present for the hearing. I must attend a funeral at that same time, and our other staff person will be on a neighbor island.

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, 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 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

**THE SENATE COMMITTEE ON WATER AND LAND/AGRICULTURE & HAWAIIAN
AFFAIRS; AND WAYS AND MEANS**

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

From: jbkampfer@aol.com
Sent: Friday, February 08, 2008 11:26 AM
To: testimony
Subject: SB 2421

I wish to testify in support of SB 2421. I am a 45-year resident of Wahiawa and past Chairman of the Wahiawa Neighborhood Board, Past President of the Wahiawa Community and Business Association and Chair of its Community Strengthening Program, and Past President of the Wahiawa Lions Club.

Approval of SB 2421 is absolutely vital for the maintenance of agriculture in Central Oahu. Potential private bidders for the Galbraith Estate are only interested in breaking up the land for housing development. The trend was forecast when agricultural lands near Waialua were purchased and developed as "gentleman farms." This resulted in the building of a gated development of multi-million dollar homes with faux farms. The few real farmers there are at odds with the gentlemen farmers over access.

The sale of estate lands to private developers will be a setback to Hawaii's desire to move towards food self-sufficiency and food security. One of Hawaii's sustainability goals is to "recognize and support established industries such as ...agriculture as strong components of the Hawaii economy." These agricultural lands are the best on Oahu.

In addition, these lands with their open spaces and scenic resources are critical to the visitors' experience and our own quality of life on Oahu. Their preservation comprises part of the state's sustainability plan. 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 Ko`olau and Waianae ranges on the "Circle Island Corridor". They represent part of Oahu's "last stand" in terms of wide-open spaces.

These lands are also essential for recharging our aquifers from the irrigation of agricultural crops.

Development of these lands will remove a critical "agricultural buffer zone" that could restrict the army's ability to train its troops here on Oahu. The majority of U.S. Army personnel are based on this island and the Army provides a significant economic boost to the community and businesses throughout the state. In fiscal year 2005, the Army infused \$1,896,800,000 into Hawaii's economy. Potential loss of training areas because of nearby development could jeopardize troop levels in Hawaii' which would negatively impact the health of our economy.

For all these reasons, the state must act to purchase these lands and preserve them in agriculture.

John B. "Jack" Kampfner
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THE SENATE
THE TWENTY-FOURTH LEGISLATURE
REGULAR SESSION OF 2008

LIVE TESTIMONY

COMMITTEE ON WATER AND LAND

Sen. Clayton Hee, Chair
Sen. Russell S. Kokubun, Vice Chair

TESTIMONY – SB 2421

February 9, 2008

REPORT TITLE: Relating to Land Acquisition

Chair Hee, Vice Chair Kokubun and members of the committee, my name is Josie Bidgood and I represent Bank of Hawaii in its role as the trustee of the trust established by the Estate of George Galbraith (deceased). Bank of Hawaii and its predecessor have been the trustee for more than 100 years.

We have become aware of Senate Bill 2421 and are here to provide an update on activity related to the sale of the Galbraith lands.

Under decisions made by both the Hawaii and U. S. Supreme Courts, the trust terminated in April 2007. Although the text of S.B. 2421 states that upon termination, the remainder of the trust is to be distributed “per capita,” that is only one of many possible interpretations of the terms of the trust. The actual language is really quite vague, stating that upon termination, the remainder of the trust is to be “divided equally amongst those persons entitled at the time to the aforementioned annuities.”

It is unclear what this means, particularly the term “equally,” so there is currently pending a petition in Circuit Court to interpret that provision. Currently, there are in excess of 650 beneficiaries, so the trustee plans to liquidate all assets of the trust to facilitate distribution. This includes selling the remaining acreage in Central Oahu.

As many of you may be aware from prior conversations and media coverage, the trustee developed a specific and well publicized process for marketing the property beginning in November 2006.

Prospective purchasers submitted written letters of intent in January of 2007 and the trustee selected the top few for the ‘best and final offer’ phase of the process. These finalists submitted their best and final offers in April of 2007 and the Trustee, after evaluating all offers, engaged in negotiations with a prospective purchaser. After several months of discussions, it became clear that the parties would not be able to come to terms on the sale, and discussions were concluded in late 2007.

The Trust has continued to market the property. First, discussions are being held with parties which submitted unsolicited expressions of interest after learning that the first round of offers had concluded. In addition, the trustee has issued requests for proposals to several real estate brokerage firms, and anticipates selecting a listing broker around mid February. The property is expected to be publicly marketed at that time.

At all times, the property has been presented to prospective purchasers as agricultural land. It is made clear that the zoning, for the most part, is AG-1 and that no other representations are made with regard to current or future zoning.

We appreciate the desire of the Senate to appropriate an unspecified sum of general funds money to purchase the Galbraith Estate lands. As trustee, we are seeking fair market value for the land and a closing date as early as possible. In addition, the purchase price should be paid in full at time of closing to facilitate distributions to the beneficiaries. The Trust is certainly willing to consider any proposal, including one from the State, consistent with these guidelines.

With reference to Lake Wilson, the trustee has made the offer to gift its leased fee interest in Parcel 21 which underlies Lake Wilson to the State of Hawaii. It is our understanding that Agribusiness Development Corporation is conducting its analysis of the integrated water system that includes Lake Wilson, but that no decision has been made about whether the gift should be accepted.

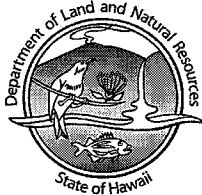
Thank you for the opportunity to testify.

Josie Bidgood
Bank of Hawaii as Trustee
of the Estate of George Galbraith (deceased) and
not in its individual capacity

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LAND
STATE PARKS

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

ON

Senate Bill 2421– RELATING TO LAND ACQUISITION

**BEFORE THE SENATE COMMITTEE ON
WATER AND LAND**

February 9, 2008

Senate Bill 2421 proposes to appropriate funds for the acquisition of land in Wahiawa, Oahu, currently owned by the George Galbraith Estate. The Department of Land and Natural Resources (Department) takes no position on this measure, however, 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.



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LATE TESTIMONY

February 9, 2008

HEARING BEFORE THE
SENATE COMMITTEE ON WATER AND LAND

TESTIMONY ON SB 2421
RELATING TO LAND ACQUISITION

Chair Hee 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, 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.