



STATE OF HAWAII  
**AGRIBUSINESS DEVELOPMENT CORPORATION**  
235 S. Beretania Street, Room 205  
Honolulu, HI 96813  
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TESTIMONY OF ALFREDO LEE  
EXECUTIVE DIRECTOR  
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE HOUSE COMMITTEE ON  
FINANCE

MARCH 03, 2009  
6:30 PM  
ROOM 308

HOUSE BILL NO. 975  
RELATING TO AGRICULTURAL WATER SYSTEMS

Chair Oshiro, Vice Chair Lee and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill 975. The Agribusiness Development Corporation's (ADC) mission is to facilitate the transition of the State of Hawaii's former plantation land and water systems to diversified agriculture. In doing so our primary focus has been the acquisition and management of large scale agricultural land and water systems, for the benefit of local farmers and agribusinesses.

HB 975 supports the ADC's mission by making it easier for us to acquire agricultural water systems via gifting in addition to grant or purchase, and via an exemption from county ordinance subdivision requirements for such transactions. This can only serve to further benefit diversified agriculture in Hawaii.

DEPARTMENT OF PLANNING AND PERMITTING  
**CITY AND COUNTY OF HONOLULU**

650 SOUTH KING STREET, 7<sup>TH</sup> FLOOR • HONOLULU, HAWAII 96813  
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MUFI HANNEMANN  
MAYOR



DAVID K. TANOUE  
DIRECTOR  
ROBERT M. SUMITOMO  
DEPUTY DIRECTOR

March 3, 2009

The Honorable Marcus R. Oshiro, Chair  
and Members of the Committee on Finance  
State House of Representatives  
State Capitol  
Honolulu, Hawaii 96813

Dear Chair Oshiro and Members:

**Subject: House Bill No. 975  
Relating to Agricultural Water Systems**

The Department of Planning and Permitting respectfully **opposes** House Bill 975, which exempts private land acquired by the agribusiness development corporation through grant, purchase, or gift, from the requirements of the county subdivision regulations.

Our opposition is based on two reasons. First, there would be no review of the action for health and safety concerns. One of the purposes of the county subdivision regulations is to ensure that any lots that are subdivided will be provided with adequate access, and the necessary utilities for the intended use or development. Additionally, the proposed lots must be shown to be suitable and not prone to flooding, bad drainage, slides, rockfall, or other conditions likely to be harmful or dangerous to health, safety or welfare of residents or the surrounding community. Without compliance with these county subdivision requirements, lands may be subdivided and offered or gifted to the corporation that do not meet the preceding criteria and may become a liability to the state. Also, once subdivided without county approval, portions of lands may be retained by the private owner or grantor, and be further developed or sold without the facilities necessary to support such development and without mitigating or rectifying conditions likely to be harmful to health, safety or welfare. The landowner may be more vulnerable to liability issues without county oversight.

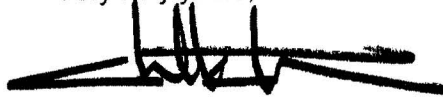
Second, lots that are subdivided and recorded without county approval will lack an official record with the county and may not be recognized. The absence of records with the county will also hinder the issuance of future building or other development permits.

Accordingly, we respectfully request that House Bill No. 975 be amended to eliminate the exemption from county subdivision requirements.

The Honorable Marcus R. Oshiro, Chair  
and Members of the Committee on Finance  
State House of Representatives  
Re: House Bill No. 975  
March 3, 2009  
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Thank you for the opportunity to testify.

Very truly yours,

A handwritten signature in black ink, appearing to read 'David K. Tanoue', written over a horizontal line.

David K. Tanoue, Director  
Department of Planning and Permitting

DKT: jmf  
hb975-mst2.doc



## **Hawaii Agriculture Research Center**

*Administration: P.O. Box 100, Kunia, HI 96759*

*Ph: 808-621-1350/Fax: 808-621-1359*

### **TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE**

#### **HOUSE BILL 975 Relating to Agricultural Water Systems**

**March 3, 2009**

Chairman Oshiro and Members of the Committee:

My name is Stephanie Whalen. I am Executive Director of the Hawaii Agriculture Research Center (HARC). I am testifying today on behalf of the center and our research and support staff.

**HARC strongly supports House Bill 975** authorizing Agribusiness Development Corporation to acquire agricultural water systems. It exempts agricultural water systems from the subdivision requirements of county ordinances and will do much to promote farming across the state.

HARC is appreciative for this body's unfaltering support throughout the years in providing financial commitments to the state's irrigation infrastructure. Water is an essential element for successful agriculture and your actions demonstrate your awareness of that fact.

This bill helps to facilitate the regulatory process involving property transfers at the county level. In that irrigation systems are the life blood of agriculture in the state and agriculture is a constitutional mandate, there is little reason to subject transfers of water systems to the state agency charged with supporting agricultural to the regulatory process which just adds time and cost without any additional benefit.

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



## Testimony

House Committee on Finance

### **Re: HB 975 RELATING TO AGRICULTURAL WATER SYSTEMS**

Chair Oshiro and Members of the Committee:

Hawaii Farm Bureau Federation, on behalf of its' member farmers and ranchers is in **strong support of HB975** authorizing the ADC to acquire and manage agricultural water systems.

Since the closure of plantations irrigation infrastructure across the state has fallen into disrepair. The original intent of the Agribusiness Development Corporation was to perform functions such as those intended in this measure.

Assistance has been provided to farmers in the Waihole system and on Kauai. Most recently a need for assistance in Kau was demonstrated and renovation of that system has commenced.

HFBF strongly requests your support of this measure as without water there will be no agriculture. Thank you.



## KAMEHAMEHA SCHOOLS

March 3, 2009

### TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

By

Kapu C. Smith, Senior Land Asset Manager  
Endowment/ Land Assets Division  
Kamehameha Schools

Hearing Date: Tuesday, March 3, 2009  
6:00 p.m., Conference Room 308

Dear Chair Oshiro, Vice Chair Lee and Committee Members:

#### **Testimony in Support of House Bill No. 975 Relating to Agricultural Water Systems**

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 H.B. 975 which will enable the Agricultural Development Corporation (ADC) to accept ownership of Wahiawa Irrigation System (WIS) without the requirement of county subdivision. Passage of this bill will do the following:

- Remove a roadblock to the potential conveyance of WIS to ADC - The cost and time of completing subdivision for each parcel over which WIS runs would make the conveyance unlikely (the system consists of over 25 miles of open ditches, tunnels and 14 siphons).
- Recognize the need to preserve the operation of WIS as the primary irrigation source for agricultural lands on the North Shore - In 1906, the Wahiawa Irrigation System was built to provide irrigation water to 12,000 acres of sugarcane and 5,000 acres of pineapple by Waialua Sugar Company with a 50 million gallon per day capacity. It currently supplies an estimated 10 million gallons per day of irrigation water to 6,400 acres of diversified crops and the remaining pineapple crops. Of the 22 farmers who currently use WIS, 18 have no backup irrigation source (rainfall is inadequate) and cannot continue farming without the continued operation of WIS (Source: Wahiawa Irrigation System Impact Study by Hawaii Department of Agriculture dated November 21, 2008).
- Acknowledge the value of WIS to agricultural production on Oahu and statewide - It was estimated by DOA that during 2007, \$37.66 million of agricultural crops were produced and sold from the lands serviced by WIS and provided jobs for 569 full-time and part time workers (Source: Wahiawa Irrigation System Impact Study by Hawaii Department of Agriculture dated November 21, 2008).

As such, we hope that you too will support H.B. 975. Thank you for the opportunity to express our views.

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*Founded and Endowed by the Legacy of Princess Bernice Pauahi Bishop*

Ka'u Farm Bureau  
PO Box 1109  
Naalehu, Hawai'i  
96772  
808-929-9550

March 2, 2009

**RE: HB 975**  
**Testimony in Support**

Aloha Chairman Oshiro and esteemed Representatives,

The Ka'u Farm Bureau represents 35 farm families and offers this testimony in **strong support of HB 975**

More than ten years after the collapse of the sugar industry, the economic vacuum left in its wake has yet to be filled in the rural communities of Ka'u.

With its abundance of agricultural lands, Ka'u is ideally suited for agricultural projects that will foster sustainability, food security, disaster preparedness and drought resistance. Investment in irrigation infrastructure projects will stimulate job creation and support job retention by creating an environment in which agriculture can thrive.

More than two years ago, working with the ADC, a group of energetic farmers, ranchers, landowners and other stakeholders have formed an agricultural water co-operative designed to advance the planning, permitting, investment and infrastructure associated with irrigation systems necessary to support agriculture in Ka'u. Since that time, much progress has been made in terms of planning and permitting. It is exactly this type of public and private partnership that has made this effort a success to date.

The ADC had been a capable and critical partner in advancing agriculture in this rural district. Their leadership, in particular that of Alfredo Lee, has been critical to the successes marked to date. Without the ADC and their tireless efforts, expertise and support, I'm certain we would not have made the progress that has been made to help bring the abandoned plantation irrigation resources back on line.

Please join me and the Ka'u Farm Bureau by offering your support of this important measure.

Thank you for this opportunity to comment.

I remain sincerely,



Chris Manfredi  
President



**Written testimony by: Mel Matsuda and Clyde Fukuyama**

**HB No. 975, Relating to Agriculture Water Systems  
Testimony to the House Committee on Finance  
Tuesday, March 3, 2009 6:00 p.m.  
Conference Room 308**

**Position: Strongly Support**

**Dear Chair Oshiro, Vice Chair Lee and Committee Members:**

**My name is Mel Matsuda. My partner Clyde Fukuyama and I farm over 200 acres in the Haleiwa/Waialua area. We are in strong support of H.B. 975 which will transfer the ownership of the Wahiawa Irrigation System to the Agricultural Development Corporation without the requirement of county subdivision.**

**Thank you for the opportunity to express our views.**

**Mel Matsuda**

**Clyde Fukuyama**