

Testimony of
Kylie Matsuda
Managing Director
Kahuku Farms

LATE

on

S.B. 2375

Relating to Agricultural-based Commercial Operations

Senate Committee on Water, Land, and Housing

Thursday, February 23, 2012

1:30 p.m.

Conference Room 225

Kahuku Farms, Matsuda-Fukuyama Farms, and Kahuku Farmers **strongly supports S.B. 2375**, which will allow agricultural-based commercial operations on agricultural lands. These entities are owned and managed by the Matsuda and Fukuyama families.

Together, our farms operate on more than 300 acres located in Kahuku, Kawaihoa, and Haleiwa. We employ about 40 people from the community and specialize in growing long eggplant, luau leaf, papayas, apple bananas, and have recently ventured into growing vanilla, cacao, lilikoi, mangos, and many other tropical fruit crops. We are food safety certified and have also invested in a certified commercial kitchen at our farm in Kahuku.

Our produce is sold at farmer's markets, super market chains and to wholesalers here in Hawaii. We also produce value added products in our farm commercial kitchen such as Lilikoi Jelly, Mango Tea, Pineapple Papaya Jam, and promote them at the Farmers' Markets at Kapiolani Community College, Waialua, and the Royal Hawaiian Shopping Center.

However, our primary retail market for our value added products are sold at our farm Country Store in Kahuku. People from all around the community have come to enjoy our fresh produce, long eggplant panini sandwiches, papaya and banana smoothies, lilikoi sorbet, vanilla ice cream, and grilled banana bread all created from fresh ingredients grown on the farm.

My dad, Melvin, myself, and over a hundred other leaders in agriculture have had an amazing opportunity to be a part of The Agricultural Leadership Program Of Hawaii. This program has enlightened and engaged us to other ways of farming in Hawaii and abroad. Marketing, land, water, labor, housing, energy, natural resources, strategic planning, and agri-tourism are some of the topics that we explored. It is through this leadership program that we have learned to think out of the box and we are encouraged to protect, support, and promote all of Hawaii's agriculture.

In 2006, Kahuku Farms was born because we felt the desire to open our farm to the public to educate all who were interested in learning about what it is we do as farmers and where their food comes from.

S.B. 2375, will help to make it easier for agricultural operators to start commercial operations providing another direct sales outlet for their agricultural products. The current law allows roadside stands to sell products only grown on their premises and is limited to 500 square feet. With this regulation, we are prohibited to sell products from our other farm sites in Haleiwa and Kawaihoa because it is not grown at our farm in Kahuku. My grandfather is a second generation cattle rancher from Mokuleia. It would be great to promote my families grass fed beef at our country store.

We have invested heavily in our retail store in Kahuku and have experienced that current regulations make it extremely difficult to turn a profit. Our agri-tourism venture which started over 6 years ago has suffered extreme financial challenges and the permitting process and regulations had delayed our opening for a very long time. We have exhausted our financial budget and are asking you to help us through this new and exciting agricultural evolution.

S.B. 2375 will allow agricultural operators to expand the market for their products, increase their profits and sustain their agricultural operations.

Thank you very much for allowing me to present this testimony.

Kylie Matsuda

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Managing Director, Kahuku Farms.