TESTIMONY HB 975, HD1



STATE OF HAWAII AGRIBUSINESS DEVELOPMENT CORPORATION

235 S. Beretania Street, Room 205 Honolulu, HI 96813 Phone: (808) 586-0186 Fax: (808) 586-0189

TESTIMONY OF ALFREDO LEE EXECUTIVE DIRECTOR AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE SENATE COMMITTEE ON WATER, LAND, AGRICULTURE, AND HAWAIIAN AFFAIRS

MARCH 23, 2009 4:15 PM ROOM 229

HOUSE BILL NO. 975, H.D. 1 RELATING TO AGRICULTURAL WATER SYSTEMS

Chair Hee, Vice Chair Tokuda and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill 975, H.D. 1. 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, H.D. 1 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 ordinances 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, 7TH FLOOR • HONOLULU, HAWAII 96813
TELEPHONE; (808) 768-8000 • FAX: (808) 768-8041
DEPT. WEB SITE: www.honoluludpp.org • CITY WEB SITE: www.honolulu.gov

MUFI HANNEMANN MAYOR



March 23, 2009

DAVID K, TANOUE

ROBERT M. SUMITOMO DEPUTY DIRECTOR

The Honorable Clayton Hee, Chair and Members of the Committee on Water, Land, Agriculture, and Hawaiian Affairs State Senate State Capitol Honolulu, Hawaii 96813

Dear Chair Hee and Members:

Subject: House Bill No. 975, HD1
Relating to Agricultural Water Systems

The Department of Planning and Permitting respectfully **opposes** House Bill 975, HD1, which exempts private land acquired by the agribusiness development corporation through grant, purchase, or gift, from the requirements of the county subdivision regulations.

It appears the House Committee on Finance recognized the bill has some inherent problems and as such, amended the bill with a HD1, recommending an effective date of July 1, 2020 to encourage further discussion. Nonetheless, we submit this testimony in opposition to highlight our concerns.

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.

The Honorable Clayton Hee, Chair and Members of the Committee on Water, Land, Agriculture, and Hawaiian Affairs State Senate
Re: House Bill No. 975, HD1
March 23, 2009
Page 2

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, HD1 be amended to eliminate the exemption from county subdivision requirements.

Thank you for the opportunity to testify.

Very truly yours

David K. Tanoue, Director
Department of Planning and Permitting

DKT: jmf

hb975hd1-mst.doc



Hawaii Agriculture Research Center

Administration: P.O. Box 100, Kunia, HI 96759 Ph: 808-621-1350/Fax: 808-621-1359

TESTIMONY BEFORE THE SENATE COMMITTEE ON WATER, LAND, AGRICULTURE, AND HAWAIIAN AFFAIRS

HOUSE BILL 975, HD1

Relating to Agricultural Water Systems

March 23, 2009

Chairman Hee 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, HD1 authorizing the Agribusiness Development Corporation to acquire agricultural water systems and exempting them from the subdivision requirements of county ordinances. This measure will do much to promote farming across the state.

HARC is appreciative of the legislature for its 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 is necessary to facilitate property transfers of irrigation systems through the county regulatory process. In that agriculture is a state constitutional priority and irrigation systems are the life blood of agriculture, there is little reason to subject transfers of water systems to an unnecessary regulatory process that adds time and cost without any providing additional benefit.

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



KAMEHAMEHA SCHOOLS

March 23, 2009

TESTIMONY TO THE SENATE COMMITTEE ON WATER, LAND, AGRICULTURE, AND HAWAIIAN AFFAIRS

Hearing Date: Monday, March 23, 2009 4:15 p.m., Conference Room 229

Dear Chair Hee, Vice Chair Tokuda and Committee Members:

Testimony in Support of House Bill No. 975 HD 1 - 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 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 HD1. Thank you for the opportunity to express our views.

TESTIMONY HB 975, HD1 (END)