<u>HCR-166-HD-1</u> Submitted on: 4/13/2018 4:22:48 PM

Testimony for WAM on 4/16/2018 1:25:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Micah Munekata	Testifying for Hawaii Department of Agriculture	Support	No

Comments:

Testimony Presented Before the
Senate Committee on Ways and Means
April 16, 2018 at 1:25 p.m.
By
Kalbert K. Young
Vice President for Budget and Finance/CFO
University of Hawai'i System

HCR 166 HD1 – SUPPORTING THE FINALIZATION AND EXECUTION OF THE UNIVERSITY OF HAWAII'S TRANSFER OF THE OPERATION AND LANDS OF WAIALEE LIVESTOCK EXPERIMENT STATION TO THE AGRIBUSINESS DEVELOPMENT CORPORATION.

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee:

Thank you for the opportunity to submit testimony on HCR 166 HD1. The University of Hawai'i (UH) appreciates the legislative support of this land transfer of the Waiale'e Livestock Experiment Station to the Agribusiness Development Corporation (ADC).

For the past several years, CTAHR and UH have been in discussions with ADC regarding the conveyance of the Waiale'e Property, including preparing and forwarding to ADC a draft quitclaim deed that contains the terms and conditions of the proposed conveyance of the Waiale'e Property to ADC. ADC desires the Waiale'e Property in order to help implement its statutory mandate to advance diversified agriculture in the State.

These are real property transactions that involve complex issues of land tenure, entitlements, and legal liabilities. Many of these issues are so complex and entail processes that they cannot be so quickly accommodated or overlooked.

This prospective transfer has been discussed at multiple Regent meetings over the past couple of months, and at the March Board of Regents Meeting, the Board authorized the UH President to negotiate, finalize, and execute the transfer in fee simple the Waiale'e Research Station Property to the Agribusiness Development Corporation. The University of Hawai'i and the State continue to work on the finalization of this transfer.

Thank you for the opportunity to testify on HCR 166 HD1.

DAVID Y. IGE Governor DOUGLAS S. CHIN Lt. Governor



STATE OF HAWAII AGRIBUSINESS DEVELOPMENT CORPORATION

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TESTIMONY OF JAMES J. NAKATANI EXECUTIVE DIRECTOR AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE COMMITTEE ON WAYS AND MEANS

Monday, April 16, 2018 1:25 p.m.

HOUSE CONCURRENT RESOLUITON 166
URGING THE UNIVERSITY OF HAWAII TO TAKE ALL NECESSARY ACTION TO
TRANSFER THE OPERATION AND LANDS OF WAIALEE LIVESTOCK EXPERIMENT
STATION TO THE AGRIBUSINESS DEVELOPMENT CORPORATION.

Chairperson Dela Cruz and Members of the Committee:

My name is James Nakatani, Executive Director of the Agribusiness Development Corporation ("ADC"). The ADC supports House Concurrent Resolution 166 that urges the University of Hawaii to take all necessary action to transfer the operation and lands of the Waialee Livestock Experiment Station ("Waialee") to the ADC.

After a transition from academic uses, Waialee has tremendous potential for commercial food production - supporting the Governor Ige's goal to double food production. It has access to both fresh and salt water, is easily accessible from a major thoroughfare and has a climate suited for agricultural production, including aquaculture. The natural segregation of the parcels would facilitate diversified operations, including a possible food service component supported by the surrounding community.

Thank you for the opportunity to testify.