JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

## State of Hawai'i **DEPARTMENT OF AGRICULTURE**

KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

# TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

# BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

MARCH 13, 2023 1:15 PM CONFERENCE ROOM 224

# HOUSE BILL NO. 307, HD1 RELATING TO AGRICULTURAL PARK LEASES

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on House Bill 307, HD1. This bill allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand. The Department supports agricultural production on agricultural park lands and offers comments.

HDOA appreciates the plight of lessees nearing the termination dates of their lease, however, it is our understanding that there is a public policy against allowing individual private interests to exclusively occupy, use, and benefit from public lands for the durations exceeding statutory limits or indefinitely. We understand the intent of this policy is to provide other members of the public without a State lease, a fair and equal opportunity to seek and enjoy that public benefit. Maximizing the opportunity to lease public lands under favorable conditions to the greatest number of applicants supports the growth of new farmers and incentivizes established farming operations with proven agricultural capabilities and economic viability to scale up and expand their operations on to other properties as part



of their business growth strategy. HDOA appreciates the intent of this bill to support and encourage the ongoing viability of agricultural operations, often referred to as "legacy farms," to continue without disruption to maximize the uninterrupted local production of agricultural goods and food and operations that if approved to extend their lease, based on a plan to continue successful agriculture businesses, will pay the increased lease rents, should they be assessed. Concurrently, there is a pressing need to increase the number of farmers statewide to realistically achieve the level of farming necessary to meet the State's goals for food security and sustainability. The single most insurmountable hurdle for most new and beginning farmers seeking to start a farm is the lack of available, appropriately sized, and reasonably priced agricultural lands suitable for farming. Our lands are among the most affordable in the State for agricultural use, making it ideal for an incubator and start-up operations.

Without a clear maximum term established by statute, the lease extension provided by the bill could potentially allow lessees to effectively remain on the land indefinitely, through consecutive extensions and preclude others from the same opportunity to lease public lands. There is nothing preventing a current lessee from applying for a new lease for either the same or other available parcel upon expiration of the current one. The HDOA maintains a list of interested farmers seeking to lease Department managed state lands and this list is culled every two years. There are currently 243 people on this list, which indicates the high level of interest in our lands. Potential lessees in this program know upfront that their use of the land cannot exceed fifty-five years. By requiring a business plan for new leases, we encourage lessees to rely on sound business practices to plan for the anticipated and known eventual termination and seek alternate lands if continuation or expansion of their farming operations is contemplated, or desired.

As long as this request does not impact other items and initiatives included in the administration's budget, the Department is requesting \$18 million to fund the Kunia Agricultural Parks project. With the number of prospective farmers currently on the waitlist, the Department is compelled to mention that the need for additional park lands would be addressed through the request to fund the Kunia Agricultural Parks project which is a

priority for the Department and would result in 24 farm lots and housing for 24 farming families/operators.

If this body desires a change to the public lease policy, we respectfully request that the change and intent be included in this bill's preamble.

Thank you for the opportunity to testify on this measure.



PO Box 148, Kula, HI 96790 mauicountyfarmbureau.org

#### **TESTIMONY**

COMMITTEE ON AGRICULTURE AND ENVIRONMENT

March 13, 2023 1:15 PM Conference Room 224

HB 307 HD1

### RELATING TO AGRICULTURAL PARK LEASES

Chair Gabbard, Vice Chair Richards, and Members of the Committee:

Maui County Farm Bureau (MCFB) appreciates this opportunity to testify on this important issue. MCFB is a general agriculture advocacy organization representing farm and ranch families and organizations on the island of Maui.

MCFB strongly supports HB 307 HD1, providing HDOA the ability to extend long term leases under certain conditions,

Hawaii is at a critical time in agriculture. Many multigenerational commercial farming and ranch operations face closure due to lack of successors. At the same time successful operations on HDOA lands face closure due to lease expirations. While there is an abundance of agriculturally zoned lands, access to them can often be difficult due to lease terms .in many cases, denial of long term leases.

It is recognized that HDOA ag parks were created with the intent that occupants would eventually find other parcels for long term use and the property would revert to a new occupant. Unfortunately, the process did not happen with no incentives for landowners to provide long term leases for our farmers and ranchers. Lack of long term leases reduces opportunities for investment.

Hawaii needs a strategy to provide long term lease for agricultural operators. In the mean time, this measure provides a solution to ensure that these successful operations can continue to invest and provide towards Hawaii's goal of increased self sufficiency.

MCFB respectfully requests your strong support of HB 307 HD1 in the interest of supporting Hawaii's agricultural production.

Thank you for this opportunity to provide our opinion on this matter. Please contact Warren Watanabe at 8082819718 if there are any questions.





## THE SENATE KA 'AHA KENEKOA

## THE THIRTY-SECOND LEGISLATURE REGULAR SESSION OF 2023

### COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair Senator Herbert M. "Tim" Richards, III, Vice Chair

Monday, March 13, 2023, 1:15 PM: Conference Room 224 & Videoconference State Capitol 415 South Beretania Street

### HB 307 HD1: RELATING TO AGRICULTURAL PARK LEASES

My name is Eric S. Tanouye and I am the President for the Hawaii Floriculture and Nursery Association. HFNA is a statewide umbrella organization with approximately 350 members. Our membership is made up with breeders, hybridizers, propagators, growers, shippers, wholesalers, retailers, educators, and the allied industry, which supports our efforts in agriculture.

The Hawaii Floriculture and Nursery Association (HFNA) Strongly **SUPPORTS HB 307 HD1** 

It is important for Nurserymen and women to have the peace of mind that is associated with an extension of their lease, so that they may continue to farm. We believe the Department of Agriculture has the relevant knowledge to understand which leases for small farms should be extended. This will extend our Family Farms being able to successfully achieve generational succession in the near future.

We ask that you support our industry and agriculture, so that we may continue to bring the beauty of Hawaii to others through flowers and ornamentals.

If you have any questions at this time, I would be happy to discuss them and can be reached by phone at 808-959-3535 ext 2627, cell 960-1433 and email eric@greenpointnursery.com.

Supporting Agriculture and Hawaii,

Eric S. Tanouye

President

Hawaii Floriculture and Nursery Association

Submitted on: 3/10/2023 4:03:22 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By | Organization                             | <b>Testifier Position</b> | Testify                   |
|--------------|--|---------------------------|---------------------------|
| David Shiigi | Testifying for Bromeliads<br>Hawaii, LLC | Comments                  | Written Testimony<br>Only |

#### Comments:

Aloha, Thank you for the opportunity to submit testimony on House Bill 307, Relating to Agricultural Park Leases. I represent a generation of farmers that continue to have a vested interest in protecting and supporting agriculture in Hawaii. By extending our leases we will be able to acquire additional funding from financial institutions for any necessary improvements. Our premise is there are more than enough public lands that are presently left vacant or unattended. Many leases that were awarded many years ago are still not being used for agriculture. A viable solution which would benefit our industry is to assign those lands to the potential new farmers. This solution would satisfy the HDOA's need to increase the number of farmers statewide and realistically achieve the level of farming necessary to meet the State's goals for food security and sustainability. This would be a winning solution for all stakeholders. We respectfully ask for your support of HB 307.

<u>HB-307-HD-1</u> Submitted on: 3/11/2023 11:47:06 AM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By  | Organization                          | <b>Testifier Position</b> | Testify                   |
|---------------|---------------------------------------|---------------------------|---------------------------|
| Alan Gottlieb | Testifying for Ponoholo Ranch Limited | Support                   | Written Testimony<br>Only |

Comments:

Please support this bill



March 10, 2023

Senator Mike Gabbard, Chair Senator Herbert M. "Tim" Richards, Vice Chair Senate Committee on Agriculture and Environment

Testimony in Support of HB 307, H.D. 1, Relating to Agricultural Park Leases (Authorizes the Department of Agriculture [DOA] to extend the lease of any lessee who holds a lease with a remaining term of 15 years or less; provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000. Effective 7/1/3000.)

Monday, March 13, 2023, 1:15 p.m. State Capitol, Conference Room 224 & Videoconference

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of HB 307, H.D. 1** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture in Hawaii.

**HB 307, H.D. 1.** The purpose of this bill is to allow the DOA to extend the agricultural park lease of any lessee who holds a lease with a remaining term of 15 years or less; provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000.

**LURF's Position.** LURF members include property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider efforts to protect and support agriculture significant to the continued conduct of their operations and to help sustain and preserve farming and ranching businesses into the future. Agricultural production in Hawaii is reliant upon and furthered by the leasing of public lands, which makes it feasible for agricultural stakeholders to successfully fulfill the food production needs of the State.

Senate Committee on Agriculture and Environment March 10, 2023 Page 2

LURF supports HB 307, H.D. 1 because the measure makes a significant effort to advance and facilitate the leasing of agricultural lands. By recognizing the significance of agricultural lessees, identifying the need to assist the local agriculture industry, and implementing measures which help to support the viability and maintenance of agriculture in the State, this bill significantly helps to promote economically viable agriculture, increased food production, and food self-sufficiency in Hawaii.

For the reasons stated above, LURF **supports HB 307, H.D. 1**, and respectfully urges your favorable consideration of this measure.

Thank you for the opportunity to present testimony regarding this matter.



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

March 13, 2023

# HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

# TESTIMONY ON HB 307, HD1 RELATING TO AGRICULTURAL PARK LEASES

Conference Room 224 & Videoconference 1:15 PM

Aloha Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

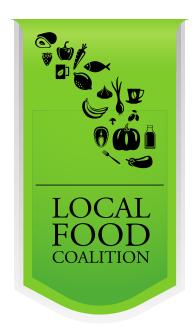
The Hawai'i Farm Bureau supports HB 307, HD1, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.



Hawai'i Aquaculture & Aquaponics Association

Hawai'i Cattlemen's Council

Hawai'i Farm Bureau Federation

Hawai'i Farmers' Union United

Hawai'i Food Industry Association

Hawai'i Food Manufacturers Association

Kohala Center

Land Use Research Foundation of Hawai'i

Maui Farm to School Network (Maui F2SN)

Ulupono Initiative

College of Tropical Agriculture and Human Resources - University of Hawai'i at Manoa SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT March 13, 2023 – 1:15 p.m. – Conference Room 224 & Videoconference

# HB 307 HD1 – RELATING TO AGRICULTURAL PARK LEASES SUPPORT

Aloha Chair Gabbard, Vice Chair Richards, and Members of the Committee:

The Local Food Coalition **SUPPORTS** HB 307 HD1, which authorizes the Hawaii Department of Agriculture (HDOA) to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand persons.

Long-term leases by HDOA allow farmers to invest in infrastructure improvements on their leased land. Without the certainty of continued tenancy, there is little incentive to make major investments to their infrastructure. HB 307 HD1 will allow farmers to obtain financing to invest in their operations and make infrastructure improvements to increase productivity, which will help the state reach its goal of doubling local food production.

The Local Food Coalition is an organization comprised of farmers, ranchers, livestock producers, investors and other organizations working to provide Hawaii's food supply.

We respectfully request your support of HB 307 HD1. Thank you for the opportunity to submit testimony.

Kendall Matsuyoshi 808-544-8345 kmatsuyoshi@wik.com January 30, 2023

TO: The Honorable Hawaii State Senators
The Honorable Hawaii State Representatives
The Honorable Hawaii County Council Members

Dear Senators / Representatives / Council Members,

I am reaching out to you in regard to the lease extensions for Department of Agriculture land. As it stands, I currently have 15 years left on my lease (General Lease No. S-4763, Lot 16). I inherited this land from my father, who inherited it from his father. The farm has been with my family since 1982 and given the opportunity I will pass it on to my children. My son has already started the process of taking on the business and planting new crops since moving back to Hilo after completing his Bachelor's Degree at the University of Northern Colorado.

Traditionally we have always produced tree crops (i.e. macadamia nuts, lychee, avocados, etc.) on this land, but are considering other crops. The issue currently present is that without an extension to the lease, it is not economically feasible to invest more capital into our farm. As the COVID-19 Pandemic had decimated tourism in the state, our current crops had become unprofitable. Though the vaccines have been released and tourism is returning, variants pose a continued threat to our states agriculture that cannot be ignored. In order to address these problems with long term solutions, large investments must be made.

The Hawaii 2050 Sustainability Plan discusses increasing Hawaii's food security, sustainability, as well as a diversified economy. Failure to extend leases would act directly against these goals, as multiple local family farms will be forced to cease operations.

If extensions to Department of Agriculture leased lands are granted it would become economically feasible to make the necessary investments. Being that tree crops can take 5-10 years to mature to the point of producing fruit and greenhouses can cost tens of thousands of dollars, the time left on many of the existing leases are not enough for family farms. This year alone we have expanded our operations to include an additional 500 trees however as mentioned above these trees will take at least 5-7years before they become harvestable. An extension of 30 years would allow our farm to continue to plant new crops, diversify into different crops, maintain/expand our agricultural infrastructure, and continue our family operation in service to the state of Hawaii and its sustainability goals.

I appreciate you taking the time to hear my concerns.

Thank you,

Hugh Willocks, Ono Nut Farms



### COMMITTEE ON AGRICULTURE AND ENVIRONMENT Senator Mike Gabbard, Chair Senator Herbert M. "Tim" Richards, III, Vice Chair

### **HB307 HD1**

RELATING TO AGRICULTURAL PARK LEASES

Monday, March 13, 2023, 1:15 PM Conference Room 224 & Videoconference

Chair Gabbard, Vice Chair Richards, and Members of the Committee,

The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the four county-level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

The Hawaii Cattlemen's Council **supports HB307 HD1** which requires the department of agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

If a leaseholder is utilizing the land for the leased purpose of agriculture and on good terms, we support the opportunity to extend the lease when there are less than fifteen years remaining on the lease. Farmers and ranchers need to make costly investments to the lease in order to successfully operate their businesses. Allowing for lease extensions gives the leaseholder confidence that they'll be able to continue utilizing their investment. These investments in water systems, infrastructure, and land stewardship activities are beneficial to the leaseholder, the surrounding community, and the State. Without the ability to extend, a prudent farmer would resist making these investments in the waning years of their lease. It is imperative that we allow lands in current agricultural production to continue to produce and succeed. Protecting agricultural lands from being used for purposes other than agriculture is a key step in increasing food production, and this measure will support the continuation of agricultural operations.

We appreciate the opportunity to testify on this measure.

Nicole Galase Hawaii Cattlemen's Council









Submitted on: 3/13/2023 7:32:19 AM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By    | Organization                                  | <b>Testifier Position</b> | Testify                   |
|-----------------|---|---------------------------|---------------------------|
| Stuart Rinehart | Testifying for Aloha 'Aina<br>Landscaping LLC | Support                   | Written Testimony<br>Only |

#### Comments:

HB 307 will enable DOA to grant leases to the farmers whom need to know that the land is secure, with a long term lease, before they invest in capital projects. Our farm went through this lease renewal (conversion) and it was essential for us to know we had a long term lease before we got busy with investing the money into the property. This new bill will enable the DOA to grant these conversions sooner and thus protect the lease for the farmer. Most of these renewals will be with farmers that have worked the same land for decades, they should be able to retain the lease as long as they are completing there kuleana to farm the land productivly.

Mahalo for your consideration on this important matter.

Aloha, Stu - representing Aloha 'Aina Landscaping LLC

Submitted on: 3/13/2023 8:55:26 AM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization   | <b>Testifier Position</b> | <b>Testify</b>            |
|---------------------|--|---------------------------|---------------------------|
| Grayson Inouye      | Testifying for Pacific<br>Floral Exchange, Kahakai<br>Farms, Inc. Pacific Farms,<br>Inc. | Niinnorr                  | Written Testimony<br>Only |

Comments:

March 13, 2023

HEARING BEFORE THE

SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

### **TESTIMONY ON HB 307, HD1**

RELATING TO AGRICULTURAL PARK LEASES

Conference Room 224 & Videoconference

1:15 PM

Aloha Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

**I support HB 307, HD1,** which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

Pacific Floral Exchange has invested well over a million dollars in our anthurium farms on our Dept of Ag leases. We employ 30 workers directly and market products produced by 35 independent producers. The success of our business is dependent on the anthurium production from our farms which will affect the livelihood over sixty families. Hawai'i Department of

Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently operate and make infrastructure improvements on the leased land. Currently, a majority of the leases on Kahakai Avenue are vacant and available for new farmers to use.

We are just recovering from the effects of the pandemic which drastically affected the floral industry. Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms will deteriorate

This measure will help to enable small farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our farmers to continue be operate in a viable nature and obtain financing to invest in their operations by making improvements to their lands and developing plans to improve and maintain their agricultural productivity.

Thank you for the opportunity to comment on this measure.

Grayson Inouye

President – Pacific Floral Exchange Inc, Kahakai Farms Inc. & Pacific Farms, Inc.

Submitted on: 3/10/2023 3:03:40 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| Gordon Inouye       | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

Aloha Members of the Senate Committe on Agriculture.

I firmly believe that we need this legislation to enable farmers to continue to put productive use of these ag lands. If not, we will lose the next generation of farmers that we desperately need.

Mahalo, Gordon Inouye

<u>HB-307-HD-1</u> Submitted on: 3/10/2023 8:49:21 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By | Organization | <b>Testifier Position</b> | Testify                   |
|--------------|--------------|---------------------------|---------------------------|
| Dana Keawe   | Individual   | Comments                  | Written Testimony<br>Only |

### Comments:

Please accept OHA's recommendation to improve HB307 HD1

<u>HB-307-HD-1</u> Submitted on: 3/11/2023 2:12:18 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By | Organization | <b>Testifier Position</b> | Testify                   |
|--------------|--------------|---------------------------|---------------------------|
| Jimmy Gomes  | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

I am in support of HB307. I am on HDOA board and been on BLNR for eight years June 2021

<u>HB-307-HD-1</u> Submitted on: 3/11/2023 2:22:11 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| Aileen K . F. Yeh   | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

I am in support of extension of the leases.

Submitted on: 3/11/2023 3:57:19 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| Marcia Sakai        | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

Honorable Chair Mike Gabbard

Honorable Vice Chair Herbert 'Tim' Richards

Honorable Members of the Senate Committee on Agriculture and the Environment

We are writing in support of HB 307 HD1. HB 307 HD1 provides for small farmers to continue access to agricultural lands in Hawai'i, by allowing the Department of Agriculture to extend agricultural leases with remaining terms of 15 years or less.

This mitigates a significant barrier to agricultural production by continuing access to affordable farming land available through the leases. HB397 HD1 would support the younger farming generation (20-30 years old) and the older generation (40-50 years old) to continue in farming and support the long term agricultural food production goals of the State.

We must support our local farmers. Their agricultural product helps to diversify the economic base, to enhance the agricultural/tourism sector, and to provide fresh, local food supply should there be food supply chain disruptions.

Thank you for your consideration. Mahalo!

William and Marcia Sakai

Hilo, Hawai'i

Mitchell D. Roth

Mayor



Lee E. Lord
Managing Director

**Robert H. Command**Deputy Managing Director

# County of Hawai'i

## Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553 KONA: 74-5044 Ane Keohokalole Hwy., Bldg C • Kailua-Kona, Hawai'i 96740 (808) 323-4444 • Fax (808) 323-4440

March 11, 2023

Chair, Sen. Mike Gabbard Vice Chair, Sen. Herbert M. Richards Committee on Agriculture and Environment

Hawai'i State Legislature 415 S. Beretania Street Honolulu, Hawai'i 96813

Subject: H.B.307 HD1, RELATING TO AGRICULTURAL PARK LEASES

Hearing Date: Monday, March 13, 2023

Time/Place of Hearing: Via Video Conference,

Conference Room 224

Aloha Chair Gabbard, Vice Chair Richards, and members of the Committee on Agriculture and Environment,

On behalf of the County of Hawai'i, I am expressing my unequivocal support for HB307 HD1 relating to agricultural park leases.

The agricultural and horticultural sectors of the Big Island are comprised of a wide range of businesses including a significant number of small family run farms and ornamental growing operations on leases in state agricultural parks. These multigenerational enterprises are very important to our economy and serve to nurture and inspire the next generation of farmers and growers.

HB307 HD1 would allow those successful family operations to extend current leases before the end of their terms, thereby facilitating the planning and investment necessary for continued growth. It provides a mechanism for the Department of Agriculture to support these businesses rather than require them to shut down at the end of their leases, and compete with hundreds of others

for limited available lots.

I firmly believe that Hawaii County could have a greater impact in helping the state meet its sustainability and food security goals if more agricultural lands were developed on our island instead of restricting opportunities for our local farmers and growers to the current inventory.

I urge your sincerest consideration for passage of this bill.

Mahalo,

Mitchell D. Roth

Mayor

County of Hawai'i

Submitted on: 3/12/2023 5:45:36 AM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| Ken Delimont        | Individual   | Support                   | Written Testimony<br>Only |

#### Comments:

Aloha, My name is Ken Delimont, owner Manager of Puna Makai Nursery, Inc. We as Leasees of the Ag Park system have gone above and beyond what anyone would do to help sustain agriculture in the state of Hawaii. When I first recieved recieved my Ag Lease I was told by the head of the Hilo DLNR Office, that if and when my lease expired I would be able to renew. Now in present day I am told **NO** by the D of Ag. Most of the exciting Farms out hear have complied with what was required. I was told by Gov. Ige there is no intention to create Legecy Farms, What? Isn't that what the State wants Sustainable Agriculture? The D of Ag has the ability to reject any one that isn't compliying with the lease agreement. Help the farms that are doing there jobs and vote yes on HB307 to sustain Agriculture. Mahalo

<u>HB-307-HD-1</u> Submitted on: 3/12/2023 6:41:02 AM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| Woody Child         | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

I support HB307 relating to Agriculture Park Leases.



## HAWAII CROP IMPROVEMENT ASSOCIATION

### In Support of HB307 HD1 Relating to Agricultural Park Leases

Senate Committee on Agriculture and Environment

Date: Monday, March 13, 2023

Time: 1:15 PM

Place: Conference Room 224

Aloha Chair Gabbard, Vice Chair Richards, and Members of the Committee:

The Hawaii Crop Improvement Association (HCIA) appreciates the opportunity to provide testimony **in support of HB307, HD1** which allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of 15 years or less, provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000.

Many agricultural park lessees have the desire to invest capital into infrastructure and operational improvements, but the uncertainty of whether their lease term will be extended as it nears its expiration is a disincentive for them to finance these enhancements. Additionally, much of the uncertainty impacts our most experienced, successful local farmers and those are potential losses our industry cannot afford to incur.

Mahalo for the opportunity to testify in support and we urge you to pass this measure.

The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.

Submitted on: 3/12/2023 1:09:12 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By | Organization | <b>Testifier Position</b> | Testify                   |
|--------------|--------------|---------------------------|---------------------------|
| Janet Ashman | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

I strongly support this bill.

Farmers on ag park leases (as well as farmers on any lease) need the certainty of continued tenancy in order for them to do long-term planning and acquire the funding to make major investments in infrastructure improvements and maintenance of their facilities.

DOA shoul have the discretion to extend certain leases to encourage the ongoing viability of productive farmers to continue their work without being removed when their leases expire.

Thank you.

Submitted on: 3/12/2023 2:40:25 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By | Organization | <b>Testifier Position</b> | Testify                   |
|--------------|--------------|---------------------------|---------------------------|
| Robert Danna | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

Aloha members of our Hawaii State Legislature

Thankyou for allowing me to testify on behalf of my family in Support of HB 307. We are a family operated farm here on Hawaii Island at Pahoa Agricultural Park and have held our lease here in compliance with the State of Hawaii conditions for more than 30 years. We are asking, along with our fellow farming families, to have our leases extended before they expire within a decade. Our investments in these these properties are considerable and our commitment to diversified sustainable agriculture extremely evident. In order to have continuity with our next generation, our children and grandchildren, and expansion in vitality of the future we need to remain on these leases. We are not asking for anything free but rather our contribution to the stewardship to continue as we pay all costs to State for leases, County Property taxes, all required insurance and every maintenance costs. We are securing and protecting our properties and neighborhood communities as we are daily vigilant and committed to this farming lifestyle which is never easy but requires a dedicated relationship with the Aina. We need to stay on our farms to be a visible and viable example to these next generations, and show that the reality of diversified agriculture here in Hawaii is more than just a discussion. Also please consider that we have built our homes and most of us have several generations on the land that continuity will be an impact into the affordable housing problem. Yes open more Agriculture land leases but help us to remain here to help teach and pass on our kupuna wisdom to the next generations. Let us continue to be a benefit to the local economy and contribute to food security with our proven abilities. The life of the land is perpetuated in righteousness so please take your responsibilities to the future of our Hawaii seriously and vote to pass HB307 in this session.

Mahalo for your consideration

Robert & Deborah Danna

15-1293 Auina Street, Pahoa HI 96778

Pahoa Agriculture Park

Submitted on: 3/12/2023 7:12:28 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| Megan Blazak        | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

I support HB307 because it is good for the future of Hawai'i's agriculture. Families who have been stewarding these lands for many years deserve consideration for their leases to be extended and pass these farms onto the next generation.

Submitted on: 3/12/2023 7:44:59 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| John R. Gordines    | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

Our farmers and ranchers and future farmers and ranchers need to be assured that they will be able to farm for the future and not a year to year renewal. Crops and livestock take more than a year to be able supply food for our community. Without assurance to continue their operations they cannot double our food supply and import replacement!

Submitted on: 3/12/2023 8:26:08 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By         | Organization | <b>Testifier Position</b> | Testify                   |
|----------------------|--------------|---------------------------|---------------------------|
| Frederick M. Mencher | Individual   | Support                   | Written Testimony<br>Only |

#### Comments:

Aloha Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

**I support HB 307, HD1,** which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.

Sincerely,

Frederick M. Mencher

<u>HB-307-HD-1</u> Submitted on: 3/12/2023 8:36:18 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| Randy Cabral        | Individual   | Support                   | Written Testimony<br>Only |

Comments:

Strong support

<u>HB-307-HD-1</u> Submitted on: 3/12/2023 9:14:20 PM

Testimony for AEN on 3/13/2023 1:15:00 PM

| Submitted By    | Organization | <b>Testifier Position</b> | Testify                   |
|-----------------|--------------|---------------------------|---------------------------|
| Lu Ann Faborito | Individual   | Support                   | Written Testimony<br>Only |

### Comments:

strongly support for ag lessee

### March 13, 2023

# HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

# TESTIMONY ON HB 307, HD1 RELATING TO AGRICULTURAL PARK LEASES

Conference Room 224 & Videoconference 1:15 PM

Aloha Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

I support HB 307, HD1, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.

### March 13, 2023

# HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

# TESTIMONY ON HB 307, HD1 RELATING TO AGRICULTURAL PARK LEASES

Conference Room 224 & Videoconference 1:15 PM

Aloha Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

I support HB 307, HD1, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.