

**AGRIBUSINESS DEVELOPMENT CORPORATION**  
Minutes of the Board of Directors meeting on July 31, 2019  
1849 Auiki Street, Honolulu, Hawaii 96819

**Members:**

Sandra Kato-Klutke	Yukio Kitagawa
Douglas Schenk	Warren Watanabe
Leilyn Koev	Denise Albano
Randall Tanaka	Phyllis Shimabukuro-Geiser
Kaleo Manuel	

**Absent:**

Lloyd Haraguchi	Margarita Hopkins
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**Guests:**

Jazmine Corpuz, Founder of ROOTED  
Elaine Ringor, ROOTED

**Staff:**

James Nakatani  
Myra Kaichi  
Lynn Owan  
Ken Nakamoto  
Todd Low  
Marites Dagdagan

**Counsel:**

Andrew Goff, Deputy Attorney General

A. Call to order.

Chairperson Kato-Klutke called the meeting to order at 9:03 a.m.

Chair introduced and thanked Marites (Tess) Dagdagan as the interim/temporary secretary.

Chair welcome Randall Tanaka, one of the Board of Directors from DBEDT.

Chair allowed item I on the agenda to be heard out of order.

I. Update on ROOTED: Kekahi Me Ka 'Aina's communication regarding private lands abutting ADC Whitmore agricultural property. Tax Map Key (1) 7-1-02-04 (por).

Mr. Ken Nakamoto made the presentation. He disclosed that the area being sought is currently unspecified. The land was acquired by ADC in 2015. DHHL 30% entitlement

is not an issue. Character of use is gardening and sustenance. Lease term is unspecified. Base rental is unspecified.

Background: On December 12, 2018, the ADC Board approved the issuance of revocable permits to the residents whose property abuts state property in Whitmore, up to 3,000 square feet of land for the purpose of home gardening and self-sustenance. Some residents would prefer that the land be managed by the community as opposed to ADC. Despite it not being part of ADC's mission, the ADC Board informed the residents that it would consider and is open to having a discussion with the residents about their plans to establish and manage a community garden that the whole community could enjoy. On June 21, 2019, the ADC received a communication from ROOTED: Kekahi Me Ka Aina, a local non-profit organization based in Whitmore Village, regarding private land abutting ADC's Whitmore agricultural property. ROOTED informed ADC that it is ready and willing to start the process of working toward a long-term solution. However, it is not clear as to what their solution entails. ROOTED is proposing that ADC grant an allotted acreage of land around Whitmore as a voluntary cultural easement and community buffer zone and the parties enter into an agreement to conserve the cultural resources and work together as well as ensure the safety of the community. ROOTED's land request is unknown. No operational plan was provided. The biggest issue would be the management plan that we'd like to present to the Board for consideration; however, the details of such management plan is still unknown. Whether we require a conservation plan will depend upon whether there's going to be extensive agricultural activity. Mr. Nakamoto stated that ADC is still speculating on the details, and therefore will not go into too much detail. His conclusion is that ROOTED discussed a different type of proposal from what was discussed in 2018 and therefore envisioned, which involved a community-managed cultural garden. Based on the current ROOTED correspondence, the ADC believes there is insufficient information to recommend any action on this item at this time. For these reasons, we are asking that the Board allow ROOTED: Kekahi Me Ka Aina additional time to provide more information to enable staff to develop a recommendation to the Board.

Chair Kato-Klutke spoke to ROOTED, advising them to take some time to really consider what it wants for its community and how it wants it run. "This is your chance to tell us how you want it done, how you want your whole area to look, who's going to maintain it, who's going to be following up on all these sectors. You want to make sure it's nice and clean and don't want someone doing something you don't want them to do. It's a lot of work, dedication, but if you can come up with a proposal that we can work with that would be sufficient."

Ms. Corpuz, representing ROOTED, thanked the Board for the invitation, and for having them, and allowing them to communicate with them. Some of the land is inaccessible, some are accessible. They are working on how to fit the inaccessible land and accessible land in their proposal. They've been communicating with Ken. It's a little hard to do on our own as they don't really know what ADC has planned for the land and what ADC wants to see. They have some numbers out that are drafted but based only on one section

of land. Other sections will be worked on by phases. Ms. Corpuz inquired whether it would be ok to work on phases or does it have to be a whole broad community.

Mr. Nakamoto advised the board that we were under the impression that ROOTED would want to manage that whole area. Ms. Corpuz explained that they left it broad for a reason. For one thing, they would have to see the land. They've seen the land that's been approved for permit. As ADC moves forward with the different parcels around the community, they would like to move forward also. Ms. Corpuz again asked again if it ok for the proposal to be just the specific site that we're talking about as of right now and as we move forward, we can move forward also. Chair Kato-Klutke replied that the board would have a discussion on that, and we'll get back to them.

Ms. Corpuz also mentioned the deadline, to which Chair Kato-Klutke responded that the board can be flexible with the deadline and directed Ms. Corpuz to communicate the deadline with Ken.

Ms. Elaine Ringor from Whitmore Village gave the board a brief background of her family and their ties to Whitmore. They've been taking care of their land and they teach their children to take care of their land. The reason why Ms. Ringor does not want a permit is why do I need a permit to take care of our land and yours. Her ancestors have been taking care of our land and why we can't continue to do so. They are only having problems now is because of the homeless. Chair Kato-Klutke advised Ms. Ringor that Mr. Nakamoto will work with Ms. Ringor and the residents, but informed Ms. Ringor that, legally, she must provide documentation that the ADC land is your land to use. Ms. Ringor agreed and acknowledged the advice. Chair Kato-Klutke thanked ROOTED for coming in and meeting with the Board.

Mr. Kitagawa asked ROOTED how they were communicating with the Community Association. Ms. Corpuz replied that they have been communicating with Nestor who's the President of Whitmore Community Association and have been in close contact with the neighborhood board.

Ms. Albano inquired of Ms. Corpuz how ROOTED is working with those who want to apply for a permit, and whether there is any overlap between ROOTED and the residents. Ms. Corpuz explained that the permit has caused some confusion between what ROOTED is trying to do and what the homeowners are doing. Some just want to make sure no one's trespassing behind their houses. If they want to do that, we cannot control peoples' decision in our community. If they want a permit for their own private use, then that's their kuleana.

Circle Mauka Place-top of the Exhibit A on the map. That's the land that abuts private property land is accessible and land that is flat behind our houses w/ gulch so there is something planted behind those properties in which legally right now the leaser has the permission to come all the up to property line if they wanted to. Those are the areas that are very accessible behind private properties.

Mr. Manuel asked if there are any current ADC tenants on these lands: Mr. Nakamoto responded that there are 57 usable acres out of 257 acres.

Ms. Corpuz also mentioned that ROOTED would like a functional buffer zone. Chair Kato-Klutke deferred the issue pending submission of ROOTED's proposal to the board.

C. Approval to Issue a Revocable Permit to Calvin Komata for home gardening in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por), area 3,000 square feet.

Mr. Nakamoto made the presentation. Mr. Komata owns and resides on Circle Mauka Street abutting State land in Whitmore, Oahu. He is seeking access to the State land to maintain a fire break between his property and the natural area. The requested area is located between his home and a ravine owned by ADC. The land, which consists of mostly grass and fruit trees, is currently being maintained by him. He intends to conduct maintenance of the land to maintain a fire break. No gardening is planned at this time, however, there are a few existing fruit trees (guava and lychee tree). Conservation plan requirements do not apply. The ADC has no plans to use the requested area and this use does not impact the neighbors, ADC, or its tenants.

(Before proceeding further, Mr. Nakamoto clarified that the rent for these Whitmore residents' revocable permits are based upon square footage per year, not per month as presented last month during the presentation of Mr. Sy's revocable permit recommendation.)

Staff recommends the approval of the issuance of a revocable permit to Mr. Komata for land in Whitmore subject to the following terms and conditions: 1) the term of this revocable permit shall be on a month-to-month basis; 2) base rent shall be \$0.05 per square foot per year; and 3) No subletting to be permitted without ADC's prior approval in writing.

Mr. Tanaka inquired about what sets the price point of \$0.05 per acre per year. Mr. Nakamoto provided some actual rates, such as \$0.10 for a dilapidated truck shed, \$0.10-0.20 for open areas in Waiialua area. The lands behind the Whitmore homes have no commercial value to ADC, they are in a ravine, and there's a drainage ditch that goes around the homes.

Mr. Tanaka also asked whether the applicants will be required to carry some type of insurance. Mr. Nakamoto confirmed that the permitted area must be covered under the applicant's homeowner's insurance.

Mr. Tanaka asked who inspects these areas. Mr. Nakamoto responded that he has been inspecting the area, and that so far, he has observed no illegal activities in this area. Ms. Koev ~~Chair Kato-Klutke~~ moved to approve the recommendations; Board Member Albano seconded the motion.

The motion carried unanimously.

D. Approval to Issue a Revocable Permit to Gary Motoshige for home gardening in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por), area 3,000 square feet.

Mr. Nakamoto made the presentation. Mr. Motoshige own and reside on Circle Mauka Street abutting State land in Whitmore, Oahu. He is seeking access to the State land to maintain a fire break between his property and the natural area. The requested area is located between Mr. Motoshige's home and a ravine owned by ADC. The land, which consists of mostly grass and a few trees, has been maintained by Mr. Motoshige since 1970. He does not intend to use the land for gardening. The ADC has no plans to use the requested land and this use does not impact the neighbors, ADC, or its tenants.

Staff recommends the approval of the issuance of a revocable permit to Mr. Motoshige for land in Whitmore subject to the following terms and conditions: 1) the term of this revocable permit shall be on a month-to-month basis; 2) base rent shall be \$0.05 per square foot per year; and 3) No subletting to be permitted without ADC's prior approval in writing.

Ms. Koev

~~Chair Kato-Klutke~~ moved to approve the recommendations; Board Member Albano seconded the motion.

The motion carried unanimously.

E. Approval to Issue a Revocable Permit to Jacob & Kristen de la Torre for home gardening in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por), 3,000 square feet.

Mr. Nakamoto made the presentation. Mr. & Mrs. de la Torre own and reside on Circle Mauka Street abutting State land in Whitmore, Oahu. They are seeking to use the State land for home gardening to preserve and care for the existing plants and fruit trees. The requested area is located between the de la Torres' home and a ravine owned by ADC. The land, which consists of mostly fruit trees, are currently being maintained by the de la Torres. The ADC has no plans to use the requested land and this use does not impact their neighbors, ADC, or its tenants.

Staff recommends the approval of the issuance of a revocable permit to Mr. & Mrs. de la Torre for land in Whitmore subject to the following terms and conditions: 1) the term of this revocable permit shall be on a month-to-month basis; 2) base rent shall be \$0.05 per square foot per year; and 3) No subletting to be permitted without ADC's prior approval in writing.

Ms. Koev

~~Chair Kato-Klutke~~ moved to approve the recommendations; Board Member Tanaka seconded the motion.

The motion carried unanimously.

F. Approval to Issue a Revocable Permit to Toshiko Shinsato for home gardening in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por), 3,000 square feet.

Mr. Nakamoto made the presentation. Mrs. Shinsato owns and resides on Circle Mauka Street abutting State land in Whitmore, Oahu. She is seeking to use the State land for gardening. The requested area is located between her home and a ravine owned by ADC. The land, which consists of mostly potted plants and fruit trees, are currently being maintained by Mrs. Shinsato and her family. , The ADC has no plans to use the requested land and this use does not impact their neighbors, ADC, or its tenants.

Staff recommends to the approval of the issuance of a revocable permit to Mrs. Shinsato for land in Whitmore subject to the following terms and conditions: 1) the term of this revocable permit shall be on a month-to-month basis; 2) base rent shall be \$0.05 per square foot per year; and 3) No subletting to be permitted without ADC's prior approval in writing.

Ms. Koev

~~Chair Kato-Klutke~~ moved to approve the recommendations; Board Member Albano seconded the motion.

The motion carried unanimously.

G. Approval to Issue a Revocable Permit to Willard E. Harmon for home gardening in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por), 2,900 square feet.

Mr. Nakamoto made the presentation. Mr. Harmon owns and resides on Circle Mauka Street abutting State land in Whitmore, Oahu. He is seeking access to the State land to maintain a fire break between his property and the natural area, and to prevent trespassers. The requested area is located between his home and a ravine owned by ADC. The land, which consists of mostly grass and trees, are currently being maintained by Mr. Harmon and his family. The ADC has no plans to use the requested land and this use does not impact their neighbors, ADC, or its tenants.

The recommendation is to approve the issuance of a revocable permit to Mr. Harmon for land in Whitmore subject to the following terms and conditions: 1) the term of this revocable permit shall be on a month-to-month basis; 2) base rent shall be \$0.05 per square foot per year; and 3) No subletting to be permitted without ADC's prior approval in writing.

Mr. Kitagawa

Mr. Tanaka moved to approve the recommendations; ~~Mr. Tanaka~~ seconded the motion.

The motion carried unanimously.

H. Approval to Issue a Revocable Permit to Maranatha Christian Church for home gardening in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por), 2,555 square feet.

Mr. Nakamoto made the presentation. The Church owns the residence located on Circle Mauka Street abutting State land in Whitmore, Oahu. The Church is seeking access to the State land to store a 20' shipping container that the Church uses for storage. The requested area is located between the Church's residence and a ravine owned by ADC. The land, which consists of mostly grass and a few trees, are currently being maintained by the Church members. The Church intends to use the land to store a shipping container and maintain the land. The ADC has no plans to use the requested land and this use does not impact their neighbors, ADC, or its tenants.

Currently have shipping container half way through our property and half on theirs. Because it's temporary, so it can be moved if we wanted them to and if we didn't approve it, they can move it. Because it's not a permanent structure, we will allow it. They also want a barrier, fence it, to keep people from coming in their yard, as it's a heavy traffic area.

Staff recommends the approval of the issuance of a revocable permit to the church for land in Whitmore subject to the following terms and conditions: 1) the term of this revocable permit shall be on a month-to-month basis; 2) base rent shall be \$0.05 per square foot per year; and 3) No subletting to be permitted without ADC's prior approval in writing.

Chair Kato-Klutke asked Mr. Nakamoto whether he checked the container and he affirmed that he did, and that the contents were church materials. No one is living in there. It shows in our Alta survey.

Board Member Tanaka moved to approve the recommendations; Board Member Shimabukuro-Geiser seconded the motion.

The motion carried unanimously.

J. Update of Findings of Land Investigative Committee.

Mr. Nakamoto made the presentation. Prior to Chair Kato-Klutke becoming Chair, our prior Chair assigned the Land Investigative Committee, which is comprised of Doug Schenk, Lloyd Haraguchi, and Yukio Kitagawa, to revamp our land application. We have advertised some areas of land for disposition and the Committee reviewed the land application and rating sheets, and reviewed the land applications that came in. We put out an advertisement in April for the Galbraith land and some of the land in Whitmore that are clear or in the process of being cleared. ADC received 21 land applications; the Committee is currently reviewing these applications. Next steps will be to set up farm visits of the applicants that stood out for inspection purposes, after which we will come back to this Board with recommendation from the Land Investigative Committee of possible selections for the area.

Chair Kato-Klutke inquired whether the land requests are only on Oahu or whether they also include lands on Kauai. Mr. Nakamoto responded that the Chair can decide whether to direct the Committee to investigate areas other than Oahu. Currently, we did not advertise any request for Kauai.

Ms. Albano inquired whether the 21 applicants were for the 6 sites, and how many sites will there be eventually. Mr. Nakamoto responded that there are 5 sites in Whitmore, 4 of which are the small farmer class, 1 in North-side 194-acre parcels in Whitmore. The 194-acre parcel could go from 1- to 280- acre(s) sections. Possibly, there could be more than 6 sites. As far as the Galbraith land is concerned, there are only 5 sites; in Whitmore could be 1-2 sites.

Mr. Tanaka inquired whether it is appropriate for a Board member to tag along during these site visits. Chair Kato-Klutke responded that we have to comply with the sunshine law.

Mr. Nakatani noted that in the past, the Land Investigative Committee looked at the farms. Just to look at plans is not realistic. You can write the best plan you want but I can go on your farm, and in 10 minutes I can tell you if you're successful or not. We'll have that discussion (to look at the farm). There is some complication with food safety issues that come quite rapidly and it's hard for farmers to understand how to do this; sanitation on the farms is important. Some issues, for example, neighbors leaving rubbish will attract rodents, having pets which is a no-no for food safety. Even with classes, it's still not effective. Mr. Kitagawa added that the amount of applicants--some good, some unqualified. It's one thing to go through them and another to do visits. Mr. Nakamoto noted that the next step will be to go through the applications and do inspections.

Ms. Koev, mentioning Mr. Nakatani's comments, stated that classes don't make sense for food safety but HDOA came to our farm for FSMA, that really helps because they come out to your farm. Going out helps and it makes it more manageable. Chair Kato-Klutke inquired whether HDOA goes out to Kauai.

Ms. Shimabukuro replied that HDOA is doing the "On Farm Readiness". The department goes out but doesn't do high enforcements/citation type of work. The department goes out and tells the farmer what is wrong and what you need to correct. If you don't make the corrections, then next time, there may be enforcement. We have an understanding with DCCA on that.

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Mr. Kitagawa inquired about the status of the conservation plans. Mr. Nakamoto responded that there are services out there, mostly private, which cost \$2,400-2,500 per plan but the farmer has to take the initiative to seek assistance.

Chair Kato-Klutke called a 5-minute recess.



K. Update on Clean Water Act Federal Lawsuit, Na Kia'I Kai, Surfrider Foundation and Pesticides Action Network North America vs State of Hawaii, Agribusiness Development Corporation and Department of Health, Civil No. 1:16-cv-00405-ACK-RLP, *Order Re: Summary Judgment and Dismissal*.

Ms. Albano moved to go into executive session; Mr. Manuel seconded the motion.

The motion carried unanimously.

L. Request for settlement authority on Complaint Under Title VI of the Civil Rights Act of 1964, EPA File No. 45RNO-16-R9, both filed by EarthJustice.

Mr. Kitagawa moved to go into executive session; Ms. Albano seconded the motion.

It was announced that the motion in executive session was to authorize Mr. Nakatani to use his discretion to settle the Title VI Complaint on the terms, and considering the concerns, discussed in executive session. The motion carried unanimously.

L. Executive Director's Reports and Updates:

1. Financial and Management audits is taking a lot of time from staff, causing the shutting down of operation, with people working overtime. ADC staff is responding to the Performance Audit (State Auditor) and Financial Audit (Acuity) requests for information and meetings. Both audits are targeted to be completed by December 2019.
2. Galbraith.  
On July 17, 2019, Governor Ige and staff visited select agriculture operations. 1) Sugarland Farms Baseyard and Packing Operations; 2) Bott Well parcel and tour of Galbraith production areas; and 3) Mari's Gardens in Mililani. The purpose of the visit was to give the Governor an opportunity to see the agricultural production in Central Oahu and learn more about the movement towards greenhouse growing (controlled environment agriculture). He was able to meet with Brian Miyamoto (HFBF), Larry Jefts, Shin Ho, and Fred Lau. The Governor was very surprised because he didn't know the large scale of agricultural production that existed in Central Oahu.
3. Whitmore.  
ADC contracted PBR Hawaii to conduct an environmental assessment of the Whitmore Food Hub Master Plan to support the initial plan design. On May 13, 2019, a Finding of No Significant Impact (FONSI) was sent to OEQC for publication. Also, to support activities in Wahiawa, ADC is working on opening a satellite office in the Dole complex at Whitmore

Village. Target opening is mid-August pending no delays. Staffing levels and office hours will be communicated when established.

Mr. Manuel noted that he attends the Wahiawa/Whitmore Neighborhood Board for Governor and there was a request, because we're going to be having the neighborhood board in Whitmore in October, that somebody from ADC potentially present or participate. Most meetings I've been to have been good. The other option would be to produce a report.

4. Tamura's Warehouse.

ADC staff continues to support the UH Community College with their due diligence and pre-planning for the value-added building renovation. Mike is spearheading this renovation to do the construction. Sub-contractors from different trades continue to tour and examine the property. Drafts for rights of entry are pending with legal. Kapiolani Community College (KCC) will concentrate on Food innovation. A lot has to do with proximity.

Chair Kato-Klutke wanted general information as to what's happening with purchases we're doing, hang-ups we're having with the lands we're authorize to purchase.


Mr. Goff replied that a couple of Purchase and Sale Agreements are with Dole's attorney right now, we were hashing out the deal, it was contemplated that those would be done in June, but he has not heard from them. He sent an email but has not heard back. There's also an access issues to certain lots, he saw an email that there's a potential solution, but not sure.

Ms. Kaichi added that Dole was to narrow down the access area and if they're going to use it, identify the internal Cane Haul Road. We cannot pay full price if it's land lock and Dole understood that

M. Adjourn.

Meeting adjourned at 11:35 am.

Respectfully submitted,



Marites Dagdagan  
Secretary