

AGRIBUSINESS DEVELOPMENT CORPORATION

Minutes of the Board of Directors Meeting held Virtually on August 26, 2020

Via Zoom Teleconference

Considering the evolving COVID-19 situation, protecting the health and welfare of the community is of utmost concern. As such, the meeting was held remotely, with Board members, Staff and Applicants participating via Zoom meeting venue.

Members Present, virtually:

Sandra Kato-Klutke, Kauai County Member (Chairperson)
Mary Alice Evans, Designated Representative, DBEDT, Ex-Officio Member
Lloyd Haraguchi, Member-At-Large *joined at 10:20 a.m.*
Kevin Hopkins, Hawaii County Member
Frederick Lau, City & County of Honolulu Member
Kaleo Manuel, Designated Representative, DLNR, Ex-Officio Member
Douglas Schenk, Maui County Member
Karen Seddon, Member-At-Large
Phyllis Shimabukuro-Geiser, Chairperson, Board of Agriculture, Ex-Officio Member
Warren Watanabe, Member-At-Large *joined at 10:25 a.m.*

Counsel Present, virtually:

Andrew Goff, Deputy Attorney General
Valerie Kato, Deputy Attorney General

Staff Present, virtually:

James Nakatani, Executive Director
Myra Kaichi, Sr. Executive Assistant
Ken Nakamoto, Project Manager
Lynn Owan, Administrative Services Officer
Lyle Roe, Property Manager

A. Call to Order

Chairperson Kato-Klutke called the virtual meeting to order at 9:02 a.m.

B. Roll Call

Ms. Kaichi conducted a roll call of the Board. All present with the exception of Mr. Haraguchi and Mr. Watanabe who both joined the meeting later.

C. Approval of minutes from the July 22, 2020 virtual meeting

Motion to approve: D. Schenk / Second: K. Manuel

Correction will be made to misspelling of Mr. Manuel's name on page 5, first two paragraphs.

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Hearing no further comments, Ms. Kaichi conducted a roll call vote. For each subsequent vote, the Chair will ask if there are any objections. If there are none, motion will be carried on the same basis as this initial roll call vote.

Vote: Approved, 8-0

- As discussed at the last board meeting on July 22, 2020, Chair created two investigative committees in accordance with Article 4 of the ADC Bylaws and Hawaii Revised Statutes section 92-2.5(b)(1). She announced the members and the scope of the committees.

Investigative Tenant Review and Recommendation Committee (the Review Committee)

Members: Lloyd Haraguchi, Fred Lau, Warren Watanabe, Jari Sugano (UH CTAHR Extension, Oahu County Administrator), PO Yung Lai (City & County of Honolulu Agriculture Liaison). Assisted by staff: Ken Nakamoto, Lyle Roe

Scope:

- 1) Develop criteria for the qualification and selection of potential tenants of vacant ADC agricultural lands on Oahu.
- 2) Develop a fair and effective solicitation processes for the submission of applications.
- 3) Upon completion of the solicitation process, review and evaluate the applications received in accordance with the qualification and selection criteria and select the best applicants.

Investigative Agricultural Activity Policy Committee (the Policy Committee)

Members: Doug Schenk, Kevin Hopkins, Karen Seddon. Assisted by staff: Myra Kaichi, Lyle Roe

Scope:

- 1) Present data or anecdotal information about
 - a. Constantly evolving market demands for different types of agricultural commodities, both in the State, and for possible export.
 - b. Burdens and hardships on ADC tenants who strive to grow and increase diversified agricultural crops and livestock.
- 2) Provide information about the current conditions of different crops or livestock
 - a. Identify the tension between competing agricultural activities.
 - b. Develop a system for determining when a particular use should be favored over another.
 - c. May consider whether a list of criteria may be the most effective, or whether a level of projected success is more favorable. It may find other ways to balance these competing requests.
- 3) Investigate the various situations in which existing ADC tenants provide infrastructure improvements and services which ultimately benefit the State of Hawaii, for which benefit the tenant may request rent credit or other forms of compensation. It shall develop standards and criteria that the ADC board may consider in deciding these requests.

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Each member of these two committees is authorized to take all actions necessary and to work with ADC staff to ensure that all actions of their respective committees are conducted in accordance with Chapter 92, HRS, and are within their defined scope. They shall each elect a committee chairperson. The committee chairperson will present all resulting findings and recommendations to the entire ADC board at a duly noticed board meeting.

No decision on any of the recommendations of either committee will be allowed until the ADC board meeting subsequent to the duly noticed ADC board meeting at which the findings and recommendations of each committee are presented.

- D. Request for Approval to Re-issue Revocable Permit No. RP16-05 to Manoa Honey Company for Storage Space in Whitmore, Oahu; Tax Map Key (1) 7-1-02-09 (por).

Motion to approve: M.A. Evans / Second: D. Schenk

No response to call for public testimony.

No questions from the Board.

Hearing no objections, motion carried.

Vote: Approved 8-0

- E. Request for Approval to Re-issue Revocable Permit No. RP16-03 to Royal Palm Contracting & Maintenance Group, Inc. for Agricultural Purposes in Whitmore, Oahu; Tax Map Key (1) 7-1-02-09 (por).

Motion to approve: P. Shimabukuro-Geiser / Second: K. Manuel

No response to call for public testimony.

No questions from the Board.

Hearing no objections, motion carried.

Vote: Approved 8-0

- F. Request for Approval to Re-issue Revocable Permit No. RP16-02 to Andros Engineering Corporation for Parking and Storage Space in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por).

Motion to approve: M.A. Evans / Second: K. Seddon

No response to call for public testimony.

Mr. Manuel asked if there is a timeframe for the redevelopment of the area. Mr. Nakatani explained that he met with Senator Dela Cruz regarding a PPP (public-private partnership) approach. ADC is formulating a plan but it has been delayed due to the COVID-19 situation. He also contacted Ms. Seddon for her input into the PPP approach. Ms. Seddon stated that she reviewed the information Mr. Nakatani shared with her and does have questions; they will meet at a later date.

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Hearing no further questions nor objections, motion carried.

Vote: Approved 8-0

- G. Request for Approval to Re-issue a Revocable Permit No. RP17-01 to Andros Engineering Corporation for Office Space in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por).

Motion to approve: P. Shimabukuro-Geiser / Second: K. Seddon

No response to call for public testimony.

Mr. Manuel asked about the utilities not being included. Mr. Nakatani explained that this is basically garage space – utilities are minimally used. Mr. Manuel asked about the previous agenda items and if utilities are included in their RPs. Mr. Nakatani stated that some are not – Manoa Honey's does not include utilities as there are none. For the other spaces, staff is working with Dole on addressing the use of utilities and by the end of the year will have a solid plan.

Hearing no further questions nor objections, motion carried.

Vote: Approved 8-0

- H. Request for Approval to Re-issue Revocable Permit No. RP17-02 to Oceanic Companies Inc. for Parking and Storage Space in Whitmore, Oahu; Tax Map Key (1) 7-1-02-04 (por).

Motion to approve: M.A. Evans / Second: K. Seddon

No response to call for public testimony. Mr. Dalton reminded the public that they can click the raise the hand button to speak. Ms. Stacy Ferreira stated that she is present and listening.

Hearing no objections, motion carried.

Vote: Approved 8-0

- I. Update on Ohana Best, LLC vs. State of Hawaii, et al., Civ. No. 19-1-1640-10.

"The Board may go into executive session, pursuant to H.R.S. §92-5(a)(4), to consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities."

Motion to enter Executive Session: M.A. Evans / P. Shimabukuro-Geiser

Hearing no objections; motion carried.

Vote: Approved, 8-0

The Board emerged from Executive Session with no action taken. Ms. Kaichi conducted a second roll call.

Mr. Haraguchi joined the meeting.

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J. ADC Board Meeting Schedule

Chair stated that board meetings shall be calendared for the 4th Wednesday of each month. If a meeting is not needed, it will be canceled. Mr. Nakatani requested that for the remainder of this year, meetings be scheduled by staff only as necessary due to the COVID-19 situation. Also, he recommends no meeting in December. Chair would like more than 2-weeks' notice of a meeting being scheduled. Ms. Kaichi stated that other boards hold the standing date and if no meeting is needed, it is canceled. Chair reiterated that for the rest of the year, meetings will be held on the 4th Wednesday of each month at 9:00 a.m. unless staff deems it not necessary at which time the meeting will be canceled.

Mr. Watanabe joined the meeting.

K. Executive Director's Update

Mr. Nakatani provided an update on the following items:

- 1) HDOA Strategic Plan: Mr. Nakatani asked Ms. Shimabukuro-Geiser to share what HDOA is doing and how the board can participate in the virtual meetings. Ms. Shimabukuro-Geiser explained that participants are invited via email. She asked staff to send her the Board members' email addresses so she can get the Zoom link to them.
- 2) Whitmore: Mr. Nakatani commended Mr. Nakamoto and Mr. Roe for keeping on top of the ongoing trespassing and other problems in the area. Also, Mr. Roe has been attending neighborhood board meetings which is much appreciated.
- 3) Legislative Update: ADC received a \$600,000 appropriation for Kekaha bridge improvements. Funds will be used for planning and design to improve the inner roads, not the public roads. Hopefully the funds do get released.

Chair asked for an update on the Kalepa Christian Crossing project for which the Governor released \$900,000. Mr. Nakamoto stated that ADC has selected a consultant to help develop the scope. Once we have the scope, will obtain a designer. Hope to start construction within a year - 18 months.

L. Adjourn

Motion to adjourn meeting: D. Schenk / K. Hopkins

Meeting was adjourned at 10:33 a.m.

Respectfully submitted,

Lori Nakamura
ADC Executive Secretary