

**TESTIMONY**  
**SB 1152**



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of  
**ABBEY SETH MAYER**  
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before the  
**SENATE COMMITTEE ON WATER, LAND, AGRICULTURE  
AND HAWAIIAN AFFAIRS**  
Wednesday, February 11, 2009  
2:45 PM  
State Capitol, Conference Room 229  
in consideration of  
**SB 1152**  
**RELATING TO AGRICULTURAL LANDS**

Chair Hee and Vice Chair Tokuda, and members of the Senate Committee on Water, Land, Agriculture and Hawaiian Affairs.

The Office of Planning opposes SB 1152, which would impose a one hundred year moratorium on the development of agricultural lands located in the area bounded by Wahiawa, Kaena Point, Kahuku, and Kaneohe on the north shore and windward coast of Oahu for which general planning has not commenced.

We understand the desire to provide an increased level of protection for the State's agricultural lands. While we recognize the urgency for preventing the unplanned conversion of agricultural lands to non-agricultural uses, we do not believe this is the appropriate mechanism for addressing this complex issue.

Rather, OP recommends comprehensive planning and market-driven solutions to the issue of non-agricultural uses in the State Agricultural District such as establishing agricultural tax incentives to promote agricultural investment and measures to offset the risks and costs of agricultural operations. Agricultural incentives are critical to the viability of the agricultural industry and farmers, and are key to initiating the process of designating important agricultural lands. Promoting agricultural businesses and protecting agricultural water systems are essential to maintaining the Wahiawa, Kaena Point, Kahuku and Kaneohe lands for agricultural production.

Also, revisions to the State Agricultural and Rural District allowable uses and densities would more effectively limit development pressure on agricultural lands, while encouraging for more effective planning processes so that rural areas will retain their rural character. SB 866, for example, recommends changes to the State Rural District, for the aforementioned reasons.

Thank you for the opportunity to testify.

**LINDA LINGLE**  
Governor



State of Hawaii  
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**SANDRA LEE KUNIMOTO**  
Chairperson, Board of Agriculture

**DUANE K. OKAMOTO**  
Deputy to the Chairperson

**TESTIMONY OF SANDRA LEE KUNIMOTO  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEE ON  
WATER, LAND, AGRICULTURE, AND HAWAIIAN AFFAIRS  
WEDNESDAY, FEBRUARY 11, 2009  
2:45 p.m.  
Room 229**

**SENATE BILL NO. 1152  
RELATING TO AGRICULTURAL LANDS**

Chairperson Hee and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 1152 which seeks to establish a 100-year moratorium on the development of buildings or development projects on Agricultural District lands in the 22<sup>nd</sup> and 23<sup>rd</sup> Senate Districts for which State or City permit applications have not been submitted for processing and visible construction has not commenced. The Department of Agriculture offers comments.

The intent of this measure is to prevent non-agricultural development on Land Study Bureau "A" and "B" agricultural lands. Non-agricultural developments involving productive or potentially-productive Agricultural District land will likely reduce the amount of land that may be considered by the City and County of Honolulu or private landowners for designation as Important Agricultural Lands (IAL), pursuant to Part III of Chapter 205, HRS.

We are more concerned about subdivisions of Agricultural District land into two or five acre lots and that do not result in the establishment of bona fide agricultural

activity or use. Subdivisions of this nature are permissible on all agricultural lands on Oahu and have the same negative effect as non-agricultural development on the potential identification and designation of IAL.

As an alternative to a 100-year moratorium, we ask this Committee to consider Senate Bill 826 that will prevent future development of “fake farms” or “gentlemen estates” on Hawaii’s best agricultural lands, whether or not they are designated as IAL, by providing the counties with clearer statutory guidance to ensure farm dwellings are built and used in direct connection with specified agricultural uses and requiring applications for subdivisions of Hawaii’s best agricultural lands to include demonstrable evidence that meaningful agriculture will be the primary activity undertaken on the land.



February 10, 2009



To: Senator Clayton Hee, Chairman

From: Ernest Tottori, Chairman of HPC Foods, Ltd.  
288 Libby Street  
Honolulu, Hawaii 96819  
Telephone No. 848-2431, Fax # 845-5155

Reference: Testimony in Support for SB 1152

I am Ernest Tottori, Owner and Chairman of HPC Foods, Ltd. HPC Foods, Ltd., is a closely held family corporation started by my family over 60 years ago. We currently are manufacturers and distributors of poi, fresh-cut fruit and vegetable products, and other local products.

Our firm supports SB 1152 and we urge your passage of this bill.

Even during this economic recession, there is one line of business that continues almost without any interruption and it is the food industry. While demand for certain specialty food products does fluctuate with the changing economy, the demand for reasonably priced, nutritious food products such as fresh fruits and vegetables remains. Because of the continued demand for food products, this industry provides stable employment and opportunities for the entire State of Hawaii in good and bad times.

While this industry provides stability to the Hawaii economy, because 85% or more of the food products we consume is currently imported from out-of-state producers and manufacturers, there is significant amount of jobs and business opportunities lost every day in producing the raw fruit and vegetable products, as well as producing the valued-added products for the final consumption by our residents. At every level of the food chain, there is a significant loss of revenue to the State when products are imported. Dependence on imports of fruits and vegetables, that can be produced in our State also exposes our State to shipping disruptions as well as security risks in shipping oversea products from mainland and foreign countries.

We strongly support SB 1152 and I feel that this bill would stop the speculation of our valuable agriculture land for development. This bill will directly support our local farmers by giving them some assurance that their investment in new farm ventures is protected from speculative sales of land from under their feet. Long-term leases would allow the farmers to obtain the proper financing to improve their farms and to reach larger scale efficiencies that cannot be obtained from the current year-to-year leases available.

Oahu has over 900,000 people. If each individual spends \$10.00 on a local food sourced and manufactured product, this initially generates almost \$9,000,000.00 in sales and tax revenue. However, when a local produced food product is sold, because of the multiplier effect, this generates a significantly larger tax base and boost to our fragile economy. The land addressed by SB 1152 is some of the best agriculture land on Oahu. At different elevations, we have the different micro-climates that would enable farmers to grow a whole host of crops to replace imported produce. This bill would generate jobs and will support and diversify our economy when it is needed most. It will also help to provide the stable economy base to insure the long-term self-sufficiency for our State.

I urge your passage of this bill that would reduce our exposure to forces we cannot control and put a stop to money flowing out of our State. Let's work together to make agriculture happen and build a sustainable Hawaii.

*Ernest Tottori*

**TESTIMONY**

**SB 1152**

**(END)**