

**Testimony of
Bruce S. Plasch, Ph.D.
Decision Analysts Hawaii, Inc.
SLUC Docket No. A10-787 Maui R&T Partners, LLC.**

In the Matter of the Petition of Maui R&T Partners, LLC. to Amend the State Land Use District Boundary of Lands Situated at Kihei, Island of Maui, State of Hawaii, Consisting of 253.05 Acres from the Agricultural District to the Urban District,
Tax Map Key Nos. (2) 2-2-024: 016 and 017, and (2) 2-2-002: 054 (por.)

My name is Bruce Plasch and I prepared the *Maui Research & Technology Park Master Plan Update: Impacts on Agriculture* (May 2011) (included as Appendix J in the Final Environmental Impact Statement). I have been a Hawaii-based economic and financial consultant since 1971 and President of Decision Analysts Hawaii, Inc. since 1979. A copy of my resume is attached.

The agricultural impact report addresses the impacts on agriculture of developing the proposed Maui Research and Technology Park Master Plan Update (the "Project"). I will summarize the findings of my report.

Land Re-designations

The Project will require the State to redistrict about 253 acres from Agricultural to Urban, and the County to re-designate about 39 acres from "Public/Quasi-Public" to "Project District 6."

Existing Agronomic Conditions

The Project site has high solar radiation, which accelerates the growth of many crops. But the poor soils and lack of irrigation water indicate that the property is poorly suited for growing commercial field crops.

The poor quality of the soils is indicated by the low soil ratings. The Land Capability Classification (LCC) for the Project site is VII_s. Class VII soils have very severe limitations that make them unsuitable for cultivation and restrict their use largely to pasture or range, woodland, or wildlife habitat. The subclassification "s" indicates that the soils have an unfavorable texture, or are extremely rocky or stony. The Agricultural Lands of Importance to the State of Hawaii (ALISH) rating for the Project site is "Unclassified". "Unclassified" lands do not meet the criteria for being rated "Prime", "Unique" or "Other", and are not considered to be agricultural lands of importance to the State of Hawaii. The University of Hawaii, Land Study Bureau (LSB) rating for the for the Project site is "E", which is the lowest rating.

Impacts on Agriculture

Haleakala Ranch, Cattle Grazing

The Project would eliminate about 102 acres of grazing land from Haleakala Ranch's current cattle operations, or about 0.44% of the 23,000 acres of their total grazing land. The Ranch anticipates that this small reduction of land will not have a significant impact on its cattle operations, including the size of its herd, production, revenues or employment. The Ranch has sufficient lands to move its cattle to other pastures.

Monsanto Seed Corn Operation

The Project is not expected to impact the nearby Monsanto 100-acre seed-corn operation to the south. The Monsanto property is over 300 acres and the northernmost field used for growing seed corn is approximately 0.25 miles from the southeast corner of the southernmost expansion area of the Project. Even though nuisance complaints from Park tenants and employees about Monsanto's nearby farm operations are not anticipated, it is recommended that Park tenants and employees be informed that they will be working and/or living near farm operations.

Growth of Diversified Agriculture on Maui

The Project will have no impact on the growth of diversified crop farming on Maui. The Project will result in a small loss of low-quality agricultural land of which there is a large supply on Maui, but will not affect the supply of good farmland of which there is also a large supply.

BRUCE S. PLASCH, PH.D.

Decision Analysts Hawai'i, Inc.

Bruce Plasch is owner and President of *DAHI*, an economic and financial consultancy that specializes in the economies of Hawai'i and the Pacific basin.

Areas of Expertise

- **Economic Development:** community, regional and island development; comparative advantages of economic activities; exports, import substitution, support activities; tourism, recreation, ocean activities, agriculture, forestry, aquaculture, energy, commercial and industrial activities; infrastructure requirements; government support services and incentives; economic models and forecasts.
 - **Land and Housing Economics:** development forces and patterns, forecasts, values and rents.
 - **Resource and Environmental Economics:** resource pricing, incentives and disincentives, valuation of externalities, and carrying capacity studies.
 - **Market Assessments:** market forces, market potential, prices, absorption rates.
 - **Project Feasibility:** profitability, project financing, cash-flow analysis.
 - **Valuations:** leases, businesses, contracts, lost earnings.
 - **Economic Benefits and Impacts:** employment, community benefits, demographic impacts, government revenues and expenditures.
 - **Policy Analyses:** planning reports, position papers, analysis.
 - **Expert Witness Testimony:** government commissions, legislative bodies, contested-case hearings, court trials.
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Education

- Ph.D. (1971) and M.S. (1966), Engineering-Economic Systems, Stanford University, specializing in economics, finance, and quantitative analysis.
 - B.S. (1965), University of California, supplemented with an additional year of liberal arts.
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Professional Experience

- Hawaii-based economic and financial consultant since 1971.
 - President of *DAHI* since since 1979.
 - Assistant Professor (economics and statistics), University of Hawai'i, 1970 to 1973.
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